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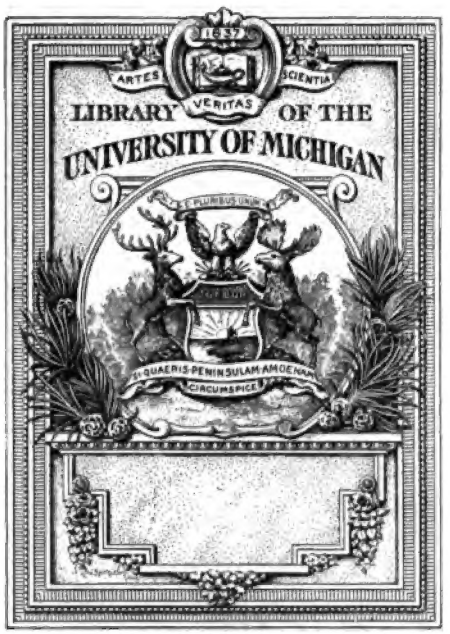

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COMMERCIAL RELATIONS

OF THE

UNITED STATES

WITH

FOREIGN COUNTRIES

DURING THE YEAR

1907

IN TWO VOLUMES

VOLUME II

EUROPE

WASHINGTON
GOVERNMENT PRINTING OFFICE
1908

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EUROPE.

UNITED KINGDOM.

INTRODUCTION.

In reviewing the trade conditions in the United Kingdom for the year 1907, the delay in receiving some of the consular reports makes it desirable to give some later figures than those supplied by the consuls. These later figures show for eight months of 1908 an acute phase of commercial depression, with a rapid decline in both imports and exports. This is a condition, however, common to all of the great nations.

In the first six months of 1908 there was a decline of 6.4 per cent in the imports for home consumption in the United Kingdom, while the export of goods of domestic manufacture and growth declined 7.9 per cent. In the months of July and August there was a still greater decline. The net imports, deducting those for reexport, declined over 14 per cent in August, while the decline in the exports was 18.7 per cent. The decline in the reexports for the eight months ending with August was $67,532,420, over 20 per cent, while the falling off in net imports was $137,079,572, or 7.8 per cent. The decline in the value of the exports of domestic products for the eight months was $146,000,000, or 10.6 per cent. This was about 2 per cent greater than the decline in the exports of domestic products from the United States in the corresponding time.

The statistics of pauperism in the United Kingdom show a large increase, the number receiving indoor relief in July being the highest for that month since the record began in 1868. A census taken by the newspapers of the unemployed in provincial cities shows alarming numbers, 22,000 men seeking work at Glasgow alone. The outlook for the winter is stated by the London Times to be "the worst that the younger men have faced." With this condition of things the exports from the United States to the United Kingdom, which declined $34,826,580 in the first eight months of this year, are not likely to increase much, while the decline in prices in the United Kingdom, over 13 per cent in a year, and a like condition in other countries will make competition in the foreign trade more keen.

The United States exported $228,293,800 of raw cotton to the United Kingdom in 1907, supplying over 70 per cent of the consumption. Great Britain exported $537,437,650 worth of cotton

goods, as compared with $26,323,062 exported by the United States. This country imported $79,524,943 of cotton manufactures, of which the United Kingdom supplied $19,016,260. America led in the exports of boots and shoes, though the United Kingdom sent nearly $4,000,000 worth to South Africa, as compared with $103,600 sent by the United States, while to India, having no preference, Great Britain sent over $1,000,000 worth and the United States practically nothing. But while British ships continue to make 67 per cent of the total entrances into all countries, excluding the United Kingdom, its facilities for exportation must greatly exceed those of the United States.

The United Kingdom imported $109,096,836 of butter in 1907 and $33,605,659 of cheese, but the United States furnished none of the butter and only $1,641,470 in value of the cheese, as compared with $24,279,162 of cheese supplied by Canada. The exportation of $204,972,084 of coal by Great Britain, of which over $20,000,000 went to four South American countries, points to another line of exports in which the United States ought to do much better. Then the fact that over $70,000,000 of cotton piece goods are exported to this continent, though the raw material is derived from the United States, is a still more impressive lesson. The exports of British coal were maintained up to and including August this year at almost the level of last year's, and even higher prices have been received, the returned value being $6,569,000 greater, though there was a decrease of 103,806 tons.

The following table shows the imports into the United Kingdom for the eight months ending with August, 1908, — representing a decline, and + an increase, the value being given in £ = $4.86:

Description.	Quantity.	Per cent.	Value.	Per cent.
Raw materials:				
Iron ore, tons	− 1,501,841	−27.7	−£1,946,231	−37.7
Other metallic ores, do	+ 34,335	+ 5.6	− 1,071,892	−14.9
Wood and timber, loads	+ 181,584	+ 3.2	− 1,045,521	− 7.2
Cotton, cwts	− 3,766,196	−26.5	− 9,148,854	−20.0
Sheep or lamb's wool, lbs	−49,827,949	− 8.6	− 4,138,892	−16.6
Flax, hemp, and jute, tons	− 37,019	− 9.3	− 3,490,299	−30.0
Petroleum, gallons	+16,652,498	+ 8.2	+ 322,796	+ 8.1
Manufactures and semimanufactures:				
Iron and steel, tons	+ 108,503	+18.7	+ 361,637	+ 8.0
Copper, lead, and tin, do	+ 65,231	+25.7	+ 2,439,396	+19.1
Woolen goods, yards	− 4,356,184	− 8.0	− 357,492	− 8.8
Leather, cwts	+ 72,732	+10.5	+ 344,504	+ 5.9
Paper, do	+ 620,327	+10.9	+ 295,151	+ 8.2

The exports are shown for the same time in the following table:

Description.	Increase or decrease in—			
	Quantity.	Per cent.	Value.	Per cent.
Iron and steel goods, tons	− 822,507	−22.8	−£6,606,227	−20.6
Copper, lead, and tin, do	+ 2,194	+ 3.1	− 1,936,041	−34.9
Machinery, do	− 9,563	− 2.5	+ 257,283	+ 1.2
Cotton yarn, lbs	− 5,005,000	− 3.2	− 703,860	− 7.1
Cotton piece goods, yards	−459,710,900	−10.6	−10,157,950	−16.9
Woolen tissues, do	− 6,207,500	−10.4	− 299,843	− 4.1
Worsted tissues, do	− 17,952,300	−25.5	− 953,806	−18.2
Linen piece goods, do	− 33,839,900	−26.4	− 1,006,270	−26.7

REVIEW OF TRADE CONDITIONS OF THE UNITED KINGDOM.

The foreign trade of the United Kingdom for the calendar year 1907 amounted to $5,663,560,300, viz: Imports, $3,142,824,400; exports, $2,520,735,900. As compared with 1906 this shows an increase of $185,003,700 in imports and $278,647,300 in exports. The commerce of 1907 marks the flood tide of British foreign commerce in both imports and exports, the imports for the first time in the record of British trade reaching and passing the three billion dollar mark.

The exports (reexports) of foreign and colonial products amounted to $447,436,200 in 1907. Deducting this amount from both the imports and exports leaves the net trade of the United Kingdom as follows for 1907: Imports for consumption, $2,695,388,200; exports of British and Irish products, $2,073,299,700, an excess of imports over exports of $622,088,500. This is about the average yearly excess of imports of the United Kingdom. The imports of gold and silver during the three years ended December 31, 1907, amounted to $914,722,426 and the exports to $849,987,410, leaving a balance in favor of the imports of $64,735,016.

The imports into the United Kingdom from the United States in 1907 amounted to $650,571,200, an amount greater in value than the combined imports from the next three highest countries—France, Germany, and Russia. While the increase in the imports from the United States in 1907 was only $12,565,600, the increase in the single article of cotton was $40,707,300, showing that in nearly all other articles, in foodstuffs especially, there was relatively a large decrease.

The exports from the United Kingdom to the United States in 1907 amounted to $282,513,000, which was the largest export to any single country, and exceeded the exports of 1906 by $23,419,000. The composition of the exports to the United States in 1907 was as follows: British and Irish products, $150,462,000; foreign and colonial products (reexports or transshipments), $132,051,000.

Preliminary to the series of tabulated statements herewith following, showing the imports and exports of the United Kingdom, by articles and countries, as well as those specializing the trade of the United Kingdom with the United States, it is considered necessary to give a short review of the leading classes of imports and exports and of the industrial forces which give the United Kingdom such dominant influence in the commercial world. As British trade with the United States fills such a large place in international exchanges, and as the United Kingdom still offers a very large field for American manufacturers to exploit, everything that leads to a clearer understanding of British trade conditions should be of great interest.

IMPORTS OF FOODSTUFFS.

The agricultural production of the United Kingdom falls so far short in supplying its great wants that a large part of the agricultural producers in foreign countries which have a surplus of foodstuffs are engaged in catering to the demands of the people of the United Kingdom, with the result that the British people have a steady supply of foreign foodstuffs, in some cases cheaper than similar products can be obtained even in the countries of production.

The following statement, showing the imports of the chief foodstuffs into the United Kingdom in 1906 and 1907, will enable American producers and exporters to appreciate the vastness of this branch of the British import trade; it will also enable them to note the amount of the several articles imported from the United States during the same years and wherein the decreases occurred in 1907:

Articles	Total imports.		Imports form the United States.	
	1906.	1907.	1906.	1907.
Animals for meat only:				
Cattle	$47,361,654	$39,443,512	$33,746,905	$28,817,857
Sheep and lambs	763,782	820,156	620,596	677,173
Total	48,125,436	40,263,668	34,367,501	29,595,030
Meats:				
Fresh beef	47,621,659	50,597,496	25,479,353	25,162,690
Fresh mutton	37,208,942	42,396,612	.....	.....
Fresh pork	5,503,768	6,512,555	1,308,134	994,080
Bacon	71,265,586	72,214,971	33,379,620	29,406,211
Hams	16,991,842	15,778,083	13,769,137	11,608,549
All other, including poultry	26,469,971	24,889,430	8,497,255	7,071,457
Total	205,061,768	212,389,147	82,433,499	74,242,987
Grain and flour:				
Wheat	159,018,654	181,699,183	39,128,071	39,320,750
Flour	33,175,830	32,578,940	23,089,936	23,073,935
Barley	27,629,977	31,948,611	4,196,543	4,486,869
Oats	22,055,756	16,471,044	4,796,185	386,453
Indian corn	58,262,195	71,071,140	22,404,232	19,067,031
All other, including rice, etc	30,198,029	33,170,491	3,392,256	3,357,885
Total	330,340,441	366,939,409	97,007,223	89,692,923
Dairy products:				
Butter	114,169,043	109,096,836	3,641,092	26,763
Cheese	34,391,874	33,605,659	3,195,830	1,641,470
Milk, condensed, etc	7,394,646	8,061,065	7,588	6,973
Total	155,955,563	150,763,560	6,844,510	1,675,206
Miscellaneous foodstuffs:				
Eggs	34,065,010	34,625,057	80,710	55,497
Fish	18,255,778	13,948,087	3,202,237	1,460,684
Fruits of all kinds	54,947,203	58,297,749	7,380,600	6,580,100
Margarin and imitation butter	2,876,383	3,960,118	43,160	130,320
Starch, farina, etc	4,401,374	4,568,855	930,440	896,297
Vegetables, green, dried, and preserved	17,223,744	23,329,075	.....	.....
Total	131,769,492	138,728,941	11,637,147	8,452,628
RECAPITULATION.				
Animals for meat	48,125,436	40,263,668	34,367,501	29,595,987
Meats	205,061,768	212,389,147	82,433,499	74,242,987
Grain and flour	330,340,441	366,939,409	97,007,223	89,692,923
Dairy products	155,955,563	150,763,560	6,844,510	1,675,206
Miscellaneous foodstuffs	131,769,492	138,728,941	11,637,147	8,452,628
Grand total	871,252,700	909,084,725	232,289,880	203,659,731

In the decreases in the several articles imported from the United States in 1907 as compared with 1906 wheat and wheat flour are exceptions, a sign that the latter is holding its own against local flour in the British market. The decreases in the imports from the United States in 1907 were due to the fact that the United States itself was short to that extent in the several articles, as will be seen, especially in butter and cheese, fish, etc. Agricultural production in the United Kingdom shows no appreciable increase; neither does its meat production. According to official returns, the principal crops in 1907 were as follows: Wheat, 57,236,000 bushels; oats, 186,890,000 bushels; barley, 67,286,000 bushels; potatoes, 5,638,000 tons. Of these crops, wheat and potatoes only may be said to enter into the food of the people, with more or less oatmeal. The population of the United Kingdom at the end of June, 1907, was 44,100,231, against 41,154,646 in 1900, an increase of 2,945,585 in the eight years. The number of food animals in the United Kingdom in 1904 and 1907 were as follows, respectively: Cattle, 4,676,718 and 4,674,834; sheep, 3,827,919 and 3,815,995; hogs, 1,315,126 and 1,316,729, which shows a per capita decrease in each case.

The countries which are the strongest competitors with the United States in foodstuffs in the British market are as follows: Live animals, Canada; bacon, Denmark and Russia; fresh beef, Argentina; mutton, Argentina, Australia, and the Netherlands; fresh pork, the Netherlands; wheat, Russia and Argentina; flour, Canada, Austria, France, Germany, and Belgium; maize, Argentina, Roumania, and Russia.

The total imports of butter into the United Kingdom in 1907 was 471,537,472 pounds, valued at $109,096,836, an average of 23.14 cents per pound. That which came from foreign countries amounted to 365,244,880 pounds, valued at $85,792,090 or 23.50 cents per pound, while the imports from the British possessions amounted to 106,292,592 pounds, valued at $23,303,746, equal to 21.91 cents per pound. Of the imports from foreign countries those from Denmark amounted to 203,706,832 pounds, valued at $49,602,224. From the other foreign countries, in their respective order, the imports were, France, Sweden, Netherlands, Argentine Republic, Norway, etc. From the British possessions the imports were nearly altogether from Australasia and Canada. If the American dairymen desire or can afford after supplying home demands to win their fair share of the British trade, they will have to send their best brand of butter and keep the market steadily supplied, for the moment there is any failure to meet the demand the producers of other countries, to whom the British market is absolutely necessary, will at once step in and supply the market.

Of the cheese imports into the United Kingdom in 1907, valued at $33,605,659, Canada supplied $24,279,162, Netherlands $2,842,000, and the United States $1,641,470. There was a decrease in the imports of American butter and cheese as compared with the preceding year of $5,178,689, which can only be explained on the hypothesis that the home demand, at better prices than those prevailing in England, took nearly the whole supply.

IMPORTS OF RAW MATERIALS.

The imports of raw materials in 1907 amounted to $1,175,720,544. The following statement shows the imports of the principal articles of this class, together with the share from the United States:

Articles.	Total imports.	From the United States.
Cotton	$344,568,709	$228,293,800
Wool	177,431,494	412,200
Oilseeds, nuts, oils, fats, and gums	149,385,481	28,643,500
Wood and timber	131,854,729	20,800,300
Textile materials other than cotton and wool	87,663,816	284,200
Hides and skins	52,285,380	.....
Iron ore, scrap iron, and steel	35,812,330	145,500
Other metallic ores	49,288,676	54,808
All other	147,409,929	2,555,692
Total	1,175,720,544	281,190,000

Outside of cotton, oils (which include kerosene), and wood and timber, the imports of raw materials from the United States are insignificant. If the reexports of Egyptian cotton from the United Kingdom are taken into consideration, American cotton supplies the wants of the British cotton mills to the extent of over 70 per cent of their total consumption. According to British official returns, the actual consumption of raw cotton in the mills of the United Kingdom in 1907 amounted to 1,972,000,000 pounds, although 2,056,735,744 pounds were entered for consumption. The total imports in 1907 amounted to 2,386,901,104 pounds, of which 1,749,563,984 pounds were imported from the United States.

Next to cotton, wool was in value the largest raw material imported into the United Kingdom in 1907. An official report says that to supply the woolen mills of the United Kingdom 493,700,000 pounds of foreign wool, including alpaca, mohair, etc., were entered for consumption, besides 99,500,000 pounds of home-grown wool, making a total of wool consumed in the factories in that year 593,200,000 pounds.

The other textile fibers imported, were as follows: Hemp, dressed chiefly, $19,647,344; flax, $19,466,000; jute, $39,736,212; silk, $4,462,045; other fiber, including tow, $4,352,215. The three great British textile industries are those engaged in the manufacture of cotton, wool, and flax.

Of the $149,385,481 worth of oilseeds, nuts, oils, fats, and gums imported in 1907, $28,643,500 worth came from the United States,

and consisted of petroleum, animal oil, turpentine, and seed oil, nearly altogether, no oilseeds, oilnuts, or gums being imported from the United States. The imports of the foregoing raw materials from the United States show a small but steady annual increase. The other imports of raw material are not worthy of any special mention, the United States being an importer itself of hides and skins and of the principal other designated imports into the United Kingdom.

IMPORTS OF MANUFACTURES.

The following statement shows the imports in 1907 of manufactures into the United Kingdom, according to British classifications, to which is added, for comparative purposes, the imports from the United States:

Articles.	Total imports.	Imports from the United States.
Iron and steel, and manufactures thereof	$35,112,658	$4,493,300
Other metals and manufactures thereof	140,801,626	40,259,900
Cutlery, hardware, implements, and instruments	19,817,094	3,814,200
Electric goods, other than machinery	6,071,688	340,100
Machinery	25,850,740	15,169,700
Manufactures of wood and timber	9,343,806	3,295,500
Textiles and yarns:		
Cotton textile fabrics	46,346,775	1,055,500
Linen yarn	3,845,674	.....
Woolen textile fabrics	52,508,284	.....
Woolen yarn	13,428,396	.....
All other textiles and yarns	83,660,118	.....
Apparel	17,601,989	.....
Chemicals, drugs, dyes, and colors	56,729,170	5,140,700
Leather, and manufactures of	56,114,341	18,125,200
Earthenware and glass	19,720,961	150,300
Paper	27,611,620	1,737,300
Miscellaneous	137,624,406	32,044,900
Total	752,189,346	125,626,600

Full details of the imports of manufactures from the United States will be found in tabulated statements further on.

In the foregoing statement, showing the imports of manufactures into the United Kingdom from the United States, flour and other manufactured breadstuffs are not included. These would bring the total imports of manufactured goods to more than $150,000,000, which, while very much the largest imports of American manufactures into any single country, can be largely improved, especially in the more advanced manufactures such as hardware, implements, and instruments, electric goods, chemicals, dyes, colors, medicine, paper, etc. Although the imports of machinery are what might be called relatively large, the United Kingdom offers a field for a much larger import.

The agriculturists of the Kingdom are advanced in the use of machinery, and only the use of advanced machinery enables them to hold their own against foreign competition, which should favor the importation of American agricultural mechanisms. A large class of

other machinery imported into the United Kingdom from the United States is peculiarly American and peculiarly adapted to the uses of an advanced people like the British.

American cotton manufacturers should be able to export to the United Kingdom ten times the present volume sent there. Even then it would not be much more than equal to the value of the exports of cotton goods from the United Kingdom to the United States.

On account of the immense volume and value of the exports of British manufactures—$1,665,189,042 in 1907—the matter is often lost sight of that the United Kingdom is far the largest importer, among the nations, of manufactures ($752,189,346 in 1907), and that, for American manufacturers especially, the Kingdom is one of the best fields for the exploitation of trade—trade in advanced appliances, such as those produced in the United States.

EXPORTS OF BRITISH PRODUCTS.

The exports of British products in 1907 are divided into three classes: (1) Food, drinks, and tobacco, $110,707,264; (2) raw materials and unmanufactured articles, $267,972,084; (3) articles wholly or mainly manufactured, $1,665,189,042; to which are added unclassified goods, including parcels post, $29,431,290; the total amounting to $2,073,299,700. Foodstuffs and drinks, omitting tobacco, are enumerated as follows: Grain and flour, $15,048,809, of which flour constituted $2,764,000; meat and meat animals, $6,371,976; other food and drinks, $83,136,123. This last amount embraces a miscellaneous list, chief among which are the following: Fish, $24,996,500; spirits, $14,601,100; beer and ale, $9,178,300; sugar, jams, etc., $8,793,000; grease and tallow, $5,316,300; biscuits and cakes, $4,867,600; condensed milk, $3,317,000; preserved provisions, $4,300,000; salt, $2,200,000; all other articles, $5,766,500.

Of the exports of raw material, coal is the only article calling for special mention, the exports of which in 1907 amounted to $204,972,084, out of a total export of raw materials amounting to $267,680,610, leaving a balance of $62,708,526, of which oilseeds, oilnuts, oils, etc., and wool amounted to $32,313,126. In the exports of British products coal stands third on the list, being only exceeded by cotton manufactures and iron and steel and manufactures thereof; it therefore stands as one of the leading industries of the United Kingdom.

COAL AND COAL EXPORTS.

The coal raised from the mines of the United Kingdom in 1906 amounted to 251,067,628 tons, valued at $445,427,172, of which

57,792,204 tons, valued at $153,315,620 were exported. It is stated in the official report from which these figures are taken that 20,694,641 tons of coal were consumed in the blast furnaces of the United Kingdom in 1906. The annual exports of coal are slowly but steadily increasing, viz, from $134,223,598 in 1902 to $204,972,084 in 1907.

As British coal is widely exported, the following statement of those exports to the several countries by quantity and value should be of interest:

Countries.	Quantities.			Value.		
	1905.	1906.	1907.	1905.	1906.	1907.
	Tons.	*Tons.*	*Tons.*			
Russia	2,578,430	2,878,890	2,863,689	$6,508,544	$7,685,954	$9,353,593
Sweden	3,178,256	3,573,505	3,709,322	7,601,609	8,792,402	10,686,118
Norway	1,446,001	1,494,556	1,606,109	3,179,293	3,395,687	4,574,773
Denmark	2,333,164	2,563,920	2,886,723	5,573,553	6,311,480	8,436,038
Germany	7,626,377	7,629,653	10,107,877	16,519,707	16,944,028	26,490,787
Netherlands	1,949,219	2,255,566	3,791,597	4,208,665	5,155,238	10,230,234
Belgium	660,507	1,427,728	1,536,411	1,399,452	2,906,765	3,844,315
France	6,731,655	9,444,528	10,694,136	16,147,825	22,841,958	30,647,557
French possessions	819,778	843,494	1,073,381	2,248,955	2,401,437	3,513,671
Portugal	765,851	840,949	941,432	2,010,633	2,374,189	3,027,916
Portuguese possessions	421,642	528,839	634,380	1,397,897	1,787,614	2,904,580
Spain and Canaries	2,389,515	2,682,683	2,544,466	6,300,312	7,682,801	8,674,239
Italy	6,412,686	7,810,024	8,317,637	16,558,027	21,119,604	26,202,442
Austria-Hungary	458,771	662,835	1,148,591	1,014,607	1,612,120	3,489,576
Greece	378,060	462,545	446,827	1,020,806	1,307,826	1,514,644
Roumania and Turkey	557,829	592,725	888,277	1,681,482	1,885,841	3,264,740
Egypt	2,242,676	2,604,198	2,929,442	6,456,383	7,703,826	10,046,013
United States	131,709	56,179	47,215	424,183	173,645	180,872
Chile	544,064	496,808	712,901	1,657,831	1,635,158	2,754,950
Brazil	1,044,242	1,158,203	1,304,102	3,577,246	4,059,751	5,309,798
Uruguay	357,210	647,115	841,679	1,151,355	2,140,154	3,302,139
Argentina	1,783,996	2,382,897	2,102,198	5,815,634	7,934,409	8,438,983
All other foreign countries	549,512	344,933	391,129	1,383,298	1,004,557	1,341,282
Total foreign countries	45,229,440	53,383,323	61,613,521	113,885,687	139,456,424	188,419,269
BRITISH POSSESSIONS.						
Aden	146,262	146,820	182,120	489,671	481,720	700,371
British India	138,854	210,411	197,176	431,556	652,193	694,799
Gibraltar, Malta, and Gozo	873,942	906,575	839,196	2,507,683	2,687,242	2,875,717
Cape of Good Hope	295,809	197,306	107,191	981,621	605,435	379,404
Ceylon and Straits Settlements	294,877	423,227	333,264	946,193	1,382,542	1,263,183
All other possessions	504,523	332,110	329,479	1,044,540	1,006,726	1,555,942
Total British possessions	2,254,267	2,216,449	1,988,426	7,091,264	6,875,858	7,969,476
Total coal exports	47,476,707	55,599,771	63,600,947	120,796,951	146,332,282	195,488,744
Coke	774,110	815,224	981,418	2,701,914	2,889,654	4,170,439
Manufactured fuel	1,108,455	1,377,209	1,480,893	3,147,374	4,093,606	5,312,900
Grand total	49,359,272	57,792,204	66,063,258	126,646,239	153,315,652	204,972,083

The following statement shows the price per ton of the coal, coke, and manufactured fuel exported:

Articles.	1905.	1906.	1907.
Coal	$2.544	$2.632	$3.074
Coke	3.49	3.545	4.25
Manufactured fuel	2.84	3.297	3.587

EXPORTS OF BRITISH COTTON GOODS.

Of the total exports of British manufactures in 1907 ($1,665,189,042), cotton textiles and yarn amounted to $537,437,650, or one-third of the whole export, viz: Piece goods, $394,421,732; textiles other than piece goods, $67,988,694; yarn, $75,027,224. This is easily the premier industry of the United Kingdom.

That British factors can import the raw material—chiefly from the United States—manufacture it into the various products, and export the same to every market on the globe, is due to many reasons, chief of which are: (1) They had possession of the world's markets before the other manufacturing countries had advanced enough in the manufacture to supply their home demands and become exporters; (2) their unlimited capital; and (3) when the British manufacturers had once entered a market they never retreated, but held it against all odds, even though the holding thereof entailed losses for the time being, knowing that the future would justify their faith with profitable trade. Their sticking qualities have resulted in giving them the world's markets, and in giving consumers an assurance that they can always rely upon securing British supplies when and how they want them.

The following statistics showing the recent great advances in the British cotton industry are taken from the London Statist of July, 1908:

The phenomenal prosperity of the cotton-spinning industry of Lancashire, which has continued for several years, has now changed to depression, short time, and a possible reduction of wages.

During the last period of prosperity [1904–1907] the increase of the producing power of cotton mills has been without parallel in the world's history of the textile industry, and in the opinion of many experts it has exceeded the limits of prudence. Readers may be able more thoroughly to grasp it by a comparison with the producing capacities of other countries. In the year 1900 the total number of spindles at work in the cotton-spinning industries of the world was 104,000,000, of which 43 per cent, or 44,700,000, were in this country. If cotton spinners had then been told that within a few years the number would be increased 25 per cent they would have been incredulous. The total number may now be estimated at 125,000,000, of which nearly 56,000,000 are in this country, 26,500,000 in the United States, 9,500,000 in Germany, 6,800,000 in France, 6,500,000 in Russia, and 5,500,000 in India. The cotton-spinning industry of this country is, therefore, greater than that of the next five largest industries of the world added together.

The largest and most rapid increase of the producing power of this country has taken place during the recent spell of prosperity; for many years it was almost stationary, as shown by the following figures: From 1885 to 1890, spindles increased 4.5 per cent; from 1890 to 1895, there was no increase; from 1895 to 1900, spindles increased 5.5 per cent; from 1900 to 1905, spindles increased 20 per cent. The recent increase, the whole of which will be completed by the end of this year or the commencement of next, is, in round figures, 11,000,000 spindles, nearly as many as those at work in Germany and Russia added together.

As the export of cotton piece goods is that branch of the industry of most interest to American manufacturers, the following statement showing the exports of British piece goods to the several countries, quantity and value, during the years 1906 and 1907 is given:

Whither exported.	Quantity.		Value.	
	1906.	1907.	1906.	1907.
	Yards.	*Yards.*		
United States	78,734,900	98,375,900	$10,784,894	$13,487,708
Canada	55,156,800	91,659,000	4,930,672	7,619,542
Mexico	25,598,400	29,390,600	1,823,492	2,313,665
Central America	42,900,300	46,248,500	2,231,368	2,498,280
Cuba	58,712,800	64,242,700	2,726,495	3,157,769
Haiti and Santo Domingo	16,883,600	10,613,300	962,797	634,572
British West Indies and Guiana	49,579,400	53,792,800	2,606,148	3,013,180
Colombia and Panama	58,177,100	61,596,300	2,967,654	3,201,859
Venezuela	50,904,500	53,327,800	2,204,694	2,333,204
Peru	36,902,000	34,114,700	2,201,239	2,161,660
Chile	104,449,400	112,445,500	6,029,136	7,005,156
Brazil	124,166,700	144,247,900	8,154,275	9,576,940
Uruguay	43,911,000	32,802,900	2,854,946	2,391,383
Argentina	192,919,000	149,224,000	13,626,664	11,208,113
Egypt	297,203,600	265,727,500	15,583,302	14,880,496
Morocco	51,102,200	55,970,400	2,640,217	2,902,915
Foreign West Africa	68,864,200	56,219,400	4,581,697	3,978,178
British West Africa	73,840,200	94,051,600	5,329,756	7,195,037
British South Africa	59,947,400	52,941,500	4,542,235	4,126,032
China (including Hongkong)	647,422,700	553,373,000	45,049,963	43,972,389
Japan	110,286,400	121,240,900	7,719,821	9,384,495
Dutch East Indies	208,263,500	207,936,600	11,644,395	12,235,410
Philippine Islands	36,596,200	50,362,600	2,364,943	3,385,253
Persia	37,659,000	51,080,600	2,143,347	3,022,422
British India	2,351,494,500	2,454,233,800	110,008,590	122,889,266
Straits Settlements	131,212,200	95,394,200	7,743,769	6,564,080
Ceylon	23,666,500	22,665,400	1,470,325	1,505,198
Australia	154,991,600	158,830,900	12,703,360	13,875,028
New Zealand	37,422,000	41,997,600	2,994,196	3,454,484
Germany	72,695,500	85,931,900	5,959,385	7,577,442
Netherlands	56,059,600	54,784,300	4,135,797	4,067,191
Belgium	81,075,100	102,355,000	7,457,527	9,343,076
France	15,038,200	21,593,600	1,465,001	2,058,354
Portugal, Azores, and Madeira	35,107,300	29,751,100	2,180,186	2,034,221
Italy	11,048,200	17,748,400	1,206,312	1,701,498
Austria-Hungary	2,004,500	4,345,800	169,733	339,277
Greece	29,226,200	29,895,000	1,967,258	2,067,123
Turkey	478,960,500	401,335,200	24,931,600	21,796,970
All other countries	252,398,200	286,193,100	16,604,946	19,461,866
Total	6,260,771,400	6,298,040,500	366,790,142	394,421,732

EXPORTS OF WOOLEN GOODS AND YARN.

The exports of wool manufactures in 1907 were valued at $148,268,219, viz: Textile fabrics, $107,810,883; yarn, $40,457,336, the exports being only exceeded by cottons, iron and steel, and machines and machinery. The exports of woolen goods and yarns in 1907 were as follows:

Description.	Quantity.	Value.
Piece goods.....yards..	193,892,800	$86,171,318
Other than piece goods		21,639,565
Yarn.....pounds..	82,704,100	40,457,336
Total		148,268,219

The exports of woolen yarn, of course, go to the most advanced woolen manufacturing countries, Germany taking more than all

other countries combined, viz, $27,500,000 worth. Only about $28,000 worth was exported to the United States.

The following statement shows the different classes of woolen textile fabrics exported from the United Kingdom in 1907, together with the exports to the United States during the same year:

Description.	Total exports.		Exports to the United States.	
	Quantity.	Value.	Quantity.	Value.
Woolen tissues.....yards..	84,881,100	$50,178,704	1,682,900	$1,917,887
Worsted tissues.....do....	99,011,700	35,980,467	22,774,300	4,824,647
Flannels.....do....	8,705,900	1,659,975	466,200	94,409
Carpets.....do....	9,450,000	5,996,501	191,000	256,817
Blankets.....pairs..	793,018	1,695,975	.....	.....
Rugs, coverlets, or wrappers.....number..	1,848,933	2,442,009	30,121	91,490
Hosiery.....	.....	7,232,202	.....	220,452
All other.....	.....	2,624,960	.....	169,827
Total.....	.....	107,810,883	.....	7,575,529

BRITISH LINEN TRADE.

The following statement shows the exports of linen goods and yarn from the United Kingdom in 1907, and the exports of the different classes to the United States during the same year:

Description.	Total exports.		Exported to the United States.	
	Quantity.	Value.	Quantity.	Value.
Piece goods:				
Plain.....yards..	166,364,600	$23,522,256	101,290,000	$13,523,517
Checked, printed, dyed and damask, and diaper.....yards..	14,264,500	2,269,638	5,812,800	951,399
Sail cloth.....do....	4,370,000	1,105,147	98,200	24,818
Thread for sewing.....pounds..	2,381,700	1,441,136	265,400	193,196
Unenumerated goods.....	.....	7,408,469	.....	4,173,533
Yarn.....pounds..	16,442,000	6,047,780	2,152,300	533,431
Total.....	.....	41,794,426	.....	19,399,894

It will thus be seen that about 57 per cent of all the linen piece goods exported from the United Kingdom in 1907 was sent to the United States, while about 46 per cent of all linen and linen yarn exports were for the United States during the same year.

Consul S. S. Knabenshue, of Belfast, contributes the following review of the conditions which prevailed in the linen trade of his district in 1907:

The year 1907 witnessed the culmination of the advance in prices which began in 1905 in the yarn trade, and naturally including all linen piece goods later. The highest point was reached in July, 1907. This rise eclipsed all previous records except in the time of the civil war in the United States, when the scarcity of cotton pushed the prices of linen goods to an extremely high level. While there has been no pronounced decline in prices since July, the tendency during the closing months of the year was downward.

The financial troubles in the United States in the autumn caused a decline in the volume of new business in exports thereto, and many orders already placed were either canceled or delivery was postponed.

On November 25 the Power Loom Manufacturers' Association adopted a resolution to reduce production for three months by 20 per cent. This was not caused by a decline in the American trade, as this is deemed but a temporary check, and the increased exports elsewhere more than counterbalanced it. The manufacturers alleged that the spinners had pushed the prices of linen yarns to so high a point, as compared with the prices of finished goods, that little or no profit was left for the weaving trade. The Spinners' Association promptly followed the example of the weaving mills and reduced their production in the same ratio, as a precaution against any rapid decline in the prices of yarns.

Taken as a whole the export linen trade was good, though the quantity of goods showed a reduction from 1906, but the amount received was greater because of the augmented prices. There were increased takings by India, Cuba, and some continental markets, the only country showing a marked decline being Japan. The heavy trade in embroidery linens, which sprang up suddenly in 1906 with that country, has practically ceased.

EXPORTS OF BRITISH AND AMERICAN MACHINERY.

As British machines and machinery constitute a large and valuable portion of the exports of British manufactures, the following statement has been prepared showing the classes of machines and machinery exported to the countries named in 1906 and 1907; and, for purposes of comparison, the exports of similar American machines and machinery during the same years are given:

Description and whither exported.	British exports.		American exports.	
	1906.	1907.	1906.	1907.
Steam engines:				
Locomotive—				
South America	$7,578,600	$8,054,300	$1,680,300	$2,078,100
British East Indies	3,685,500	5,950,300	.....	.....
Spain	177,700	505,600	.....	.....
Australasia	170,500	278,300	64,200	109,600
Other countries	2,477,600	1,930,100	5,685,800	6,892,600
Total	14,089,900	16,718,600	7,430,300	9,080,300
Agricultural—				
Europe	2,945,800	2,880,100	.....	.....
South America	1,402,700	863,400	.....	.....
Australasia	298,800	292,500	.....	.....
British East Indies	167,200	202,400	.....	.....
Other countries	712,100	756,500	.....	.....
Total	5,526,600	4,994,900	.....	.....
Other—				
Europe	3,552,600	4,170,000	.....	.....
South America	2,524,500	2,490,700	.....	.....
Australasia	2,099,600	2,538,900	.....	.....
British South Africa	1,030,600	1,175,900	.....	.....
Other countries	4,570,500	6,431,700	.....	.....
Total	13,777,800	16,807,200	4,594,200	5,732,600
Total steam	33,394,300	38,520,700	11,994,500	14,812,900
Agricultural machinery:				
Europe	3,429,000	3,356,000	11,801,300	13,047,400
South America	1,370,900	1,050,200	5,525,800	4,444,600
Australasia	224,400	301,500	1,231,700	1,020,900
British East Indies	88,400	148,600	70,200	50,400
British South Africa	131,700	135,800	367,600	527,400
Other countries	456,500	519,300	5,748,200	6,506,600
Total	5,700,900	5,511,400	24,744,800	25,597,300

Description and whither exported.	British exports.		American exports.	
	1906.	1907.	1906.	1907.
Sewing machines:				
Europe	$6,462,300	$7,114,400	$3,816,000	$4,024,600
South America	271,700	384,500	1,433,900	1,467,800
British East Indies	258,600	323,500	57,100	50,600
British South Africa	154,900	129,400	21,900	26,600
Other countries	526,100	953,200	2,516,300	2,902,600
Total	7,673,600	8,905,000	7,845,200	8,472,200
Mining machinery:				
British South Africa	1,200,100	1,216,900		
Australasia	430,500	508,500		
South America	350,400	444,600		
British East Indies	335,500	444,700		
Europe	228,300	378,800		
Other countries	1,015,700	1,264,000		
Total	3,560,500	4,257,500	2,837,200	6,126,000
Textile machinery:				
Germany	4,188,500	5,155,800		
France	3,436,500	4,240,700		
Russia	1,220,800	1,825,600		
Other European countries	8,380,200	10,101,800		
British India	8,343,200	8,674,900		
United States	2,905,200	2,843,100		
Japan	1,258,100	2,283,600		
South America	1,024,900	1,877,800		
China and Hongkong	501,400	469,700		
Other countries	1,397,600	1,618,300		
Total	32,656,400	39,121,300		
Electrical machinery	4,096,200	4,874,200	8,274,800	9,735,200
All other machinery:				
Europe	15,196,500	19,239,700		
British India	6,173,500	7,406,700		
South America	6,335,600	6,307,200		
Australasia	2,508,200	3,662,600		
British South Africa	1,984,300	1,874,600		
United States	644,600	699,900		
Straits Settlements	322,700	464,100		
Ceylon	256,200	310,300		
Other countries	9,775,800	13,130,100		
Total	43,197,400	53,095,200	52,293,400	55,041,600
Total of all kinds	130,285,300	154,285,300	107,989,900	119,785,200

Outside of steam and textile machinery it will be seen by the foregoing statement that the exports of American machines and machinery exceed those of the United Kingdom by more than $28,000,000. The exports of British textile machinery, $39,121,300, in 1907 exceed the exports of any other single class of British machines, and as many countries are endeavoring to supply their own fabric wants this branch of British trade will continue to increase, for the manufacture of textile machinery is only possible to the most advanced manufacturing countries.

The nomenclature of British machines, which is that given in the foregoing table, does not permit very detailed comparisons with American machines. The larger portion of the American machines entered under. "All other machinery" are made up of machinery and machines peculiar to the United States, such as cash registers, printing presses, pumping machinery, typewriting machines, metal-working machinery, shoe machinery, wood-working machinery, etc.

EXPORTS OF BRITISH AND AMERICAN BOOTS AND SHOES.

Another interesting and leading British export is that of boots and shoes. The following statement shows the value of the British exports in 1906 and 1907 and whither they were exported, the exports of American boots and shoes being given for comparative purposes:

Whither exported.	British exports.		American exports.	
	1906.	1907.	1906.	1907.
British South Africa	$4,408,700	$3,902,400	$44,700	$103,600
Australasia	1,441,000	1,453,700	145,200	284,400
British India	887,200	1,015,500	.....	.....
British West Indies and Guiana	371,200	497,800	2,204,200	3,199,700
Brazil	45,000	41,000	.....	.....
Other countries	2,370,400	3,015,800	7,259,700	8,070,600
Total	9,523,500	9,926,200	9,653,800	11,658,300

It will be seen that the greater portion of British boots and shoes go to British South Africa and Australasia. These are largely manufactured for the special wear incidental to industrial development in those possessions. The American boots and shoes, on the other hand, are exported to the most advanced countries—the United Kingdom ($1,984,000 in 1907), Germany, France, Mexico, etc. It might be well for American manufacturers to investigate the character of the British boots and shoes sent to British South Africa with a view to securing a portion of that trade by meeting the peculiar local demands of that growing market.

EXPORTS OF IRON AND STEEL AND THEIR MANUFACTURES.

Next to the exports of cotton goods iron and steel and their manufactures lead all other articles, amounting in 1907 to $227,079,883.

The principal articles of iron and steel exported from the United Kingdom in 1907, together with the exports of the same to foreign countries and British possessions, were as follows:

Articles.	Total exports.	To foreign countries.	To British possessions.
Iron:			
Pig (spiegeleisen, etc.)	$7,603,906	$7,254,178	$349,728
Pig (other)	27,398,395	24,274,102	3,124,293
Bars, rods, angles, etc	6,628,173	2,841,549	3,788,624
Cast, and manufactures	2,542,746	1,171,853	1,370,893
Wrought, and manufactures	5,338,064	2,596,277	2,741,787
Total iron	49,511,284	38,137,959	11,373,325
Iron and steel:			
Rails	13,020,320	5,080,665	7,939,655
All other railway materials	12,206,642	5,957,569	6,249,073
Wire	4,833,894	3,180,743	1,653,151
Wire manufactures	5,820,820	1,803,524	4,017,296
Ship, bridge, boiler, and other plates and sheets	12,678,692	8,321,715	4,356,977
Galvanized sheets, flat or corrugated	33,494,172	15,098,802	18,395,370
Tinned plates and tinned sheets	28,795,566	21,507,496	7,288,070
Tubes, pipings, and fittings, wrought	10,433,242	6,048,060	4,385,182
Tubes, pipings, and fittings, cast	6,821,859	4,828,054	1,993,805
Nails, screws, and rivets	2,705,774	1,404,471	1,301,303
Bolts and nuts	2,472,182	1,316,874	1,155,308
Bedsteads	2,670,735	1,800,605	870,130
Total iron and steel	135,953,898	76,948,578	59,005,320

Articles.	Total exports.	To foreign countries.	To British possessions.
Steel:			
Bars, angles, rods, etc	$15,361,860	$10,942,811	$4,419,049
Girders, beams, and pillars	4,887,426	2,240,536	2,646,890
Total steel	20,249,286	13,183,347	7,065,939
Grand total, principal articles	205,714,468	128,269,884	77,444,584

The very large exports of pig iron noted in the foregoing statement are, of course, sent to the iron manufacturing countries. This branch of the trade is illustrative of a wise trade characteristic of British producers. When they can not sell advanced iron manufactures to any country they will supply such country with pig iron to enable it to turn out its own iron and steel. British coal will also, if necessary, follow the pig iron.

Attention is called to the very large exports of iron and steel and their manufactures to the British colonies. Outside of pig iron and tinned plates, nearly one-half the remainder goes to the colonies.

TOTAL IMPORTS AND EXPORTS BY CLASSES.

The following statement shows the total imports by classes into the United Kingdom in 1906 and 1907 and the exports of British products during the same years:

Classes.	Imports.		Exports, British products.	
	1906.	1907.	1906.	1907.
1. FOOD, DRINK, AND TOBACCO.				
Grain and flour	$330,340,441	$366,939,409	$12,515,645	$15,048,809
Meat and meat animals	253,187,204	252,652,815	6,518,070	6,371,976
Other food and drink:				
Nondutiable	334,927,065	328,439,851	78,563,764	83,136,123
Dutiable	217,577,185	235,298,847		
Tobacco	22,964,171	20,575,499	5,161,702	6,150,356
Total class 1	1,158,996,666	1,203,906,421	102,758,921	110,707,264
2. RAW MATERIALS AND ARTICLES UNMANUFACTURED.				
Coal, coke, and prepared fuel	229,238	101,442	153,315,632	204,972,064
Iron ore, scrap iron and steel	32,930,418	35,812,330	2,904,439	2,790,105
Other metallic ores	43,945,296	49,288,676	856,947	929,997
Wood and timber	133,864,810	131,854,727	445,649	547,754
Cotton	273,133,543	344,588,709	.....	.....
Wool	148,404,771	177,431,494	14,123,016	15,611,678
Other textile materials	82,850,766	87,663,816	799,313	1,107,040
Oil seeds and nuts, oils, fats, and gums	124,748,902	149,385,481	13,743,404	16,701,448
Hides and skins, undressed	52,070,070	52,285,380	10,753,762	8,840,873
Paper-making materials	19,149,677	21,233,975	3,474,085	3,663,160
Miscellaneous	117,831,877	126,074,514	10,144,457	12,807,945
Total class 2	1,029,159,278	1,175,720,544	210,560,704	267,972,084
3. ARTICLES WHOLLY OR MAINLY MANUFACTURED.				
Iron and steel and manufactures thereof	40,682,743	35,112,658	193,884,256	227,079,883
Other metals and manufactures thereof	137,389,694	140,801,626	49,313,227	56,846,009
Cutlery, hardware, implements, and instruments	18,354,569	19,817,094	28,619,886	31,297,118
Electrical goods and apparatus other than machinery	5,759,576	6,071,688	11,590,757	12,088,999

Classes.	Imports.		Exports, British products.	
	1906.	1907.	1906.	1907.
3. ARTICLES WHOLLY OR MAINLY MANUFACTURED—Continued.				
Machinery	$24,950,049	$25,850,740	$130,285,397	$154,577,193
Ships, new	138,209	131,469	42,0.6,858	48,778,443
Manufactures of wood and timber	9,814,407	9,343,806	6,354,169	6,804,345
Textiles and yarn:				
Cotton textile fabrics	45,387,544	46,346,775	427,002,828	462,410,426
Cotton yarn			57,597,961	75,027,224
Linen textile fabrics			34,073,252	35,746,646
Linen yarn	4,493,848	3,845,674	4,895,518	6,047,780
Woolen textile fabrics	58,767,065	52,508,284	100,172,138	107,810,883
Woolen yarn	11,145,381	13,428,396	36,304,318	40,457,336
Shoddy, flocks, waste, tops, etc			18,490,816	17,976,286
All other textiles and yarn	82,050,272	83,660,118	34,001,626	39,538,638
Apparel	18,417,162	17,601,989	33,180,639	34,963,428
Chemicals, drugs, dyes, and colors	49,171,656	56,729,170	75,534,347	83,017,667
Leather, and manufactures thereof	62,024,175	56,114,341	31,105,533	32,117,284
Earthenware and glass	20,532,551	19,720,961	17,808,995	19,710,979
Paper	27,877,769	27,611,620	10,043,560	11,399,406
Miscellaneous	141,289,731	137,492,937	144,527,884	161,493,072
Total class 3	758,246,401	752,189,340	1,486,852,965	1,665,189,042
Unclassified, including parcels post	11,887,040	11,008,049	27,564,792	29,431,290
Grand total	2,958,289,385	3,142,824,400	1,827,737,382	2,073,299,700

EXPORTS OF FOREIGN AND COLONIAL PRODUCTS.

The foregoing statement shows only the exports of British and Irish products. The following statement shows the character of the exports of foreign and colonial products—reexports and transshipments:

Articles.	1906.	1907.
Arms, ammunition, and military stores	$949,800	$370,800
Bristles	1,409,800	1,494,500
Butter	1,931,900	2,037,100
Carriages, motor cars and parts of	2,055,600	1,862,400
Chemical products and manufactures	1,506,400	2,160,700
Cotton, raw	32,119,157	46,426,000
Cotton manufactures	12,653,400	11,879,600
Cotton waste	2,212,900	2,534,700
Drugs	2,525,300	2,301,900
Dyes and tannins	2,198,700	2,361,700
Electric apparatus, not machinery	591,800	813,700
Feathers, ornamental	5,059,800	7,030,200
Fish of all kinds	5,286,900	4,988,900
Fruit of all kinds	5,337,600	6,119,100
Grain, including flour and meal	6,808,300	9,212,300
Gums	6,638,300	6,223,200
Hemp	7,241,800	7,801,000
Hides, dry and wet	5,865,400	5,183,800
India rubber:		
Raw	31,026,300	29,252,000
Manufactures	476,400	543,100
Jute:		
Raw	14,882,200	18,636,700
Manufactures	8,463,300	9,636,200
Meats (bacon, hams, corned beef, etc)	3,666,200	3,780,600
Metals:		
Copper bars, ingots, blocks, etc	6,109,900	7,730,900
Tin, in blocks, ingots, bars, and slabs	28,238,300	22,950,400
All other metals, and manufactures of	8,099,300	7,037,100
Total metals	42,447,500	37,718,400
Oils:		
Petroleum	985,800	744,100
All other oils	6,548,000	8,215,600
Total oils	7,533,800	8,959,700

Articles.	1906.	1907.
Precious stones (diamonds and other)	$3,969,100	$1,713,000
Scientific instruments and apparatus	1,525,300	2,373,400
Skins and furs:		
Goat, sheep, etc	14,318,500	14,526,400
Furs	15,227,700	14,312,400
Tallow and stearin	7,056,400	8,678,900
Tea	10,810,800	10,133,000
Watches	469,100	787,900
Wood and timber, and manufactures of	4,441,000	4,773,100
Wool, sheep and lambs	54,494,900	64,971,600
All other articles	91,949,900	95,932,200
Grand total	414,151,200	447,436,200

IMPORTS AND EXPORTS BY COUNTRIES.

The following statement shows the total imports and exports of the United Kingdom from and to foreign countries and British possessions in 1906 and 1907:

Countries.	Imports.		Exports.	
	1906.	1907.	1906.	1907.
FOREIGN.				
United States	$638,005,600	$650,571,200	$259,094,000	$282,513,600
Philippines and Guam	8,070,400	10,213,300	7,541,500	6,660,300
Russia	146,244,000	152,920,400	77,582,200	95,531,300
Sweden	52,225,300	53,856,600	32,402,100	38,498,400
Norway	33,597,800	32,185,100	20,501,400	24,087,700
Denmark	79,973,500	88,874,400	25,119,500	29,802,400
Germany	185,033,100	188,733,100	235,111,800	276,076,500
Possessions in West Africa	610,300	751,800	1,072,100	1,330,100
Netherlands	178,374,300	179,242,500	81,942,600	92,487,800
Java and other possessions	5,960,000	10,131,100	18,226,500	19,699,100
Belgium	141,291,200	137,680,100	81,531,800	94,186,200
France	262,166,600	257,109,300	140,081,200	163,064,200
French possessions	9,690,400	14,000,700	8,079,100	10,166,100
Portugal	16,249,200	17,257,500	15,857,000	16,110,500
Portuguese possessions	1,775,000	3,604,600	19,034,500	18,288,300
Spain	77,025,500	81,967,300	25,985,600	28,074,300
Canary Islands	7,473,900	7,714,900	5,197,500	6,068,500
Italy	17,570,300	18,606,900	60,742,300	74,226,200
Austria-Hungary	5,902,500	5,297,700	15,806,400	26,316,600
Greece	10,861,300	9,704,700	7,317,600	8,973,200
Bulgaria	660,900	1,324,200	3,170,900	2,967,100
Roumania	17,584,700	24,746,100	8,129,500	10,512,500
Turkey in Europe	6,931,800	6,934,200	18,393,900	16,331,000
Turkey in Asia	22,136,700	22,162,900	22,171,800	22,403,800
Egypt	82,040,700	108,150,800	44,541,100	49,789,200
Tripoli	1,228,400	2,748,100	754,100	890,600
Tunis	1,748,600	3,308,700	1,546,000	2,151,400
Morocco	1,734,600	2,619,100	4,400,900	4,552,100
Kongo Free State	142,900	346,400	693,000	562,500
Persia	1,103,100	1,900,800	2,393,700	3,390,800
Siam	2,780,800	3,057,100	3,335,500	4,358,400
China	16,129,800	16,896,000	60,802,000	59,069,600
Japan and Formosa	14,376,400	15,775,200	63,825,800	59,758,200
Cuba	1,037,200	1,477,900	12,838,900	14,908,500
Mexico	4,127,900	9,765,100	12,182,900	15,183,500
Central American States	5,203,200	5,961,500	5,272,600	5,596,500
Haiti and Santo Domingo	208,600	880,800	1,625,600	1,282,800
Colombia	1,349,600	1,489,100	4,698,700	5,049,000
Panama	224,300	126,000	1,510,900	1,803,500
Venezuela	752,800	1,079,400	3,482,700	3,758,800
Ecuador	680,000	1,007,900	1,915,600	2,338,800
Brazil	44,345,400	47,377,800	38,680,900	51,322,600
Uruguay	2,621,100	4,638,200	11,192,500	12,568,700
Argentina	115,837,100	128,854,500	96,915,800	89,030,100
Chile	30,525,200	29,390,000	31,130,000	37,793,200
Peru	8,104,600	13,558,100	7,077,700	10,530,500
All other foreign countries	5,143,800	2,019,700	4,884,400	2,480,200
Total foreign countries	2,266,825,400	2,378,116,800	1,606,094,700	1,803,150,600

Countries.	Imports.		Exports.	
	1906.	1907.	1906.	1907.
BRITISH POSSESSIONS.				
Channel Islands	$7,563,600	$8,833,600	$6,585,300	$6,878,300
Gibraltar, Malta and Gozo	346,100	365,400	9,529,000	8,512,900
East Africa, including islands	1,743,700	3,564,200	4,948,300	5,520,300
South Africa:				
Cape Colony	26,954,600	35,378,400	56,327,700	51,496,300
Natal	3,878,200	6,548,600	25,039,900	21,343,900
West Africa:				
Sierra Leone and Gambia	1,101,300	1,165,500	2,577,800	2,971,000
Gold Coast	2,831,500	3,704,800	5,004,000	5,884,500
Lagos	1,826,000	2,315,400	3,070,600	4,961,900
Nigerian protectorates	7,572,800	9,515,900	4,999,000	7,177,000
British India	184,359,900	213,830,000	225,828,700	259,438,900
Straits Settlements	43,327,600	43,893,400	18,778,200	19,267,400
Ceylon	21,613,000	25,431,800	8,068,600	9,180,100
Hongkong	3,107,300	3,011,800	15,672,000	16,329,000
Australia	141,790,500	164,801,100	110,865,100	132,109,800
New Zealand	75,955,500	86,544,400	39,187,400	45,948,900
Canada	147,544,000	136,405,500	75,320,100	93,537,000
Newfoundland	3,069,200	1,607,300	2,855,900	2,550,500
British West Indies	10,153,200	9,655,100	12,014,000	14,649,100
British Guiana	2,570,000	2,907,200	3,525,500	3,507,300
All other possessions	4,147,200	5,228,200	5,578,200	6,321,200
Total possessions	691,464,100	764,707,600	635,793,900	717,585,300
Grand total	2,958,289,500	3,142,824,400	2,241,888,600	2,520,735,900

IMPORTS FROM THE UNITED STATES.

The following statement shows the imports into the United Kingdom from the United States during the calendar years 1906 and 1907:

Articles.	1906.	1907.
FOODSTUFFS AND DRINKS.		
Cattle	$33,746,900	$28,817,700
Sheep and lambs	590,800	676,900
Cereals and flour:		
Wheat	39,128,100	39,320,800
Barley	4,196,500	4,486,900
Oats	4,796,200	386,500
Maize	22,404,200	19,066,900
Wheat flour	23,089,900	23,073,900
Oatmeal and rolled oats	1,515,100	1,139,600
Maize meal, starch, farina, etc.	1,876,200	2,218,300
Total cereals, etc.	97,006,200	89,692,900
Dairy products:		
Butter	3,641,100	26,700
Cheese	3,195,900	1,641,500
Condensed milk	300	7,000
Total dairy products	6,837,300	1,675,200
Fish, of all kinds	3,058,500	1,291,000
Fruit:		
Apples, raw	4,226,700	4,184,100
Oranges	101,600	120,200
Pears, raw	426,300	128,400
Plums, dried or preserved	485,000	520,700
All other, dried or preserved	2,142,000	1,626,700
Total fruits	7,380,600	6,580,100
FOODSTUFFS AND DRINKS—CON.		
Meats and provisions:		
Bacon	$33,379,600	$29,406,300
Beef, fresh	25,478,800	25,211,400
Beef, salted	959,900	825,800
Hams	13,609,100	11,608,500
Lard	18,491,300	18,786,600
Imitation lard	2,165,400	1,705,200
Oleomargarine	1,995,100	2,300,400
Pork, fresh and salted	1,888,000	1,484,300
Meats, preserved otherwise than by salting	3,610,200	2,510,100
Meats, unenumerated	1,373,000	1,241,900
Poultry and game	1,186,300	983,500
Sausage casings	465,400	611,200
Tallow and stearin	3,072,000	3,090,200
Total meats and provisions	107,734,100	100,365,400
Coffee	2,310,800	2,697,900
Hops	2,328,800	2,375,800
Spirits, wines, and cider	466,000	709,400
Sugar, molasses, and glucose	4,412,100	3,911,600
All other foodstuffs and drink	58,500	1,096,100
Total foodstuffs and drinks	365,931,200	239,890,000
RAW MATERIAL.		
Cotton	187,585,500	228,293,800
Hair	400,400	307,500
Hay	508,900	69,000

Articles.	1906.	1907.
RAW MATERIAL—cont'd.		
Hemp, etc.	$469,000	$284,200
India rubber	837,400	521,600
Fertilizers (phosphates)	1,397,700	1,556,200
Metals and ores	1,262,900	1,815,700
Oil-seed cake	3,559,600	3,213,800
Rosin	3,153,800	3,372,900
Seeds, clover and other	1,963,900	1,633,700
Skins and furs	5,465,000	4,153,000
Tobacco	12,395,000	12,212,900
Wood, hewn, sawn, split, etc	16,371,800	20,800,300
Wool	445,800	412,200
All other raw materials	660,900	2,543,200
Total raw materials	236,477,500	281,190,000
MANUFACTURES.		
Arms and ammunition	219,100	250,100
Blacking and polishes	125,100	128,900
Books, printed	536,100	611,200
Cars, carriages, etc.:		
Cycles, not motors	158,700	174,100
Motor cars and motor cycles	1,457,400	996,200
All other	559,000	421,400
Total cars, etc	2,175,100	1,591,700
Chemical manufactures and products of all sorts	2,377,600	3,527,600
Clocks and watches, and parts of	463,300	859,900
Confectionery	293,400	313,900
Cordage and twine	409,300	655,500
Cotton manufactures	1,223,400	1,055,500
Drugs and medicines	1,263,400	1,368,400
Dyes and tannins (essences)	285,200	244,700
Electric goods, not machinery	385,300	340,100
Glass manufactures	146,600	150,300
Glue and gelatin	151,700	150,300
Hardware	820,800	795,100
Implements and tools	1,011,500	1,279,900
India-rubber goods:		
Boots and shoes	296,600	500,100
Other goods	819,300	1,027,700
Leather and leather goods:		
Leather	18,491,300	16,036,000
Boots and shoes	2,165,400	1,997,300
Other goods	134,400	91,900
Total leather, etc	20,791,100	18,125,200
Machines and machinery:		
Steam machinery	93,400	165,500
Other than steam—		
Agricultural	2,814,600	2,750,000
Sewing machines	2,227,100	1,763,600
Mining machinery	291,600	277,800
Textile machinery	313,000	401,000

Articles.	1906.	1907.
MANUFACTURES—cont'd.		
Machines and machinery—Continued.		
Other than steam—Continued.		
Electrical machinery	$1,261,000	$906,100
All other machinery	8,593,900	8,905,700
Total machinery	15,594,600	15,189,700
Metals and metal products:		
Brass and bronze goods	409,300	379,000
Copper, wrought and unwrought	13,768,700	15,132,800
Iron and steel—		
Nails, screws, and rivets	557,500	445,000
Tubes and pipes and fittings	325,500	146,000
Wire	510,400	503,600
Steel ingots, blooms, billets, etc	4,313,100	1,851,200
All other iron and steel goods	2,486,100	2,077,500
Total iron and steel	8,192,600	4,993,300
Lead, sheet and pig	1,488,100	2,589,000
Zinc	1,173,000	327,400
All other metals	1,219,300	1,326,600
Total metals and their products	26,251,000	24,748,100
Musical instruments	896,800	882,700
Oils:		
Animal	527,500	815,600
Kerosene	20,330,700	20,726,400
Turpentine	4,460,700	3,963,700
Seed oils	1,274,300	2,182,100
All other, including essences	603,100	955,700
Total oils	27,196,300	28,643,500
Painters' colors	1,312,300	1,165,500
Paper of all sorts	2,328,800	1,737,300
Paraffin	4,951,800	5,419,300
Scientific instruments	1,942,800	1,739,200
Soap and soap powder	1,899,600	2,493,000
Stationery other than paper	630,100	591,700
Tobacco manufactures	6,267,800	4,628,900
Toys and games	267,000	273,000
Varnish, without spirit	280,300	253,100
Wood manufactures	4,730,600	3,295,500
All other manufactures	1,994,200	2,204,000
Total manufactures	130,327,900	125,626,600
Unenumerated products and manufactures	5,269,000	3,864,600
Total imports	638,005,000	650,571,200

It will be seen by the foregoing table that the imports of foodstuffs from the United States in 1907 show a decrease, as compared with 1906, of $26,041,200, which was almost evenly distributed throughout every product composing this class of imports—dairy products showing the greatest relative decrease—notwithstanding the total imports of foodstuffs into the United Kingdom show an increase of about

$8,000,000 in 1907, and notwithstanding the further fact that American flour and wheat held their own during that year.

In raw materials imported from the United States in 1907 there was an increase of $44,712,500 as compared with 1906, the increase in cotton alone amounting to $40,707,300, the remainder of the increase occurring in wood, two products which bear testimony to the activity of the British cotton and wood-working industries.

The imports of American manufactures into the United Kingdom in 1907, counting flour and other food as manufactures, amounted to over $150,000,000 against exports of British manufactures to the United States during the same year of $127,678,600, and should, under the industrial conditions which prevail in that Kingdom, be considered a very favorable showing for American manufacturers. Of course a larger proportion of the British products consumed in the United States are of a more advanced character of manufactures than are the American products consumed in the United Kingdom. A large portion of the American manufactures imported are, however, of a very advanced order, such as machines and machinery ($15,169,700), iron and steel ware, musical instruments, scientific instruments, motor cycles and cars, india-rubber goods, leather and leather goods, etc.

As has been so often pointed out to American manufacturers and exporters, there is no market that offers a larger or fairer field than the United Kingdom for the exploitation of American trade.

EXPORTS TO THE UNITED STATES.

The following statement shows the exports from the United Kingdom to the United States during the calendar years 1906 and 1907:

Articles.	1906.		1907.	
	British goods.	Foreign and colonial goods.	British goods.	Foreign and colonial goods.
RAW MATERIALS.				
Animals: Horses	$443,700	$518,800	$316,300	$537,700
Bristles		893,200		743,500
Clay	1,352,800		1,416,200	
Coal	255,200		391,700	
Cork		601,400		523,100
Cotton		8,419,000		18,134,000
Drugs		898,600		1,104,700
Feathers, ornamental		1,834,500		2,115,000
Fish	1,638,800	453,000	2,196,000	761,100
Flax, hemp, etc.	479,200	1,991,400	821,400	2,084,800
Fruits and nuts		1,578,100		1,676,000
Gums	13,000	2,030,000	13,100	2,534,000
Hides, raw	1,414,200	2,643,000	669,600	2,340,800
India rubber		9,519,800		6,375,300
Ivory		644,500		588,900
Jute		565,400		1,487,600
Manure	1,041,200		1,834,100	
Oils, palm, cocoanut seed, etc.	739,100	1,780,200	1,186,500	2,038,000
Rags, etc.	2,225,500	470,300	2,329,100	457,500
Salt	315,000		291,900	
Seeds of all kinds	297,600	2,272,000	519,700	1,200,500
Skins and furs	5,445,000	13,475,600	4,705,900	13,142,500

Articles.	1906.		1907.	
	British goods.	Foreign and colonial goods.	British goods.	Foreign and colonial goods.
RAW MATERIALS—continued.				
Spices		$449,000		$539,600
Vegetables	$324,200	245,300	$5,000	439,900
Wood		1,600,700		1,225,800
Wool:				
Sheep and lambs'	4,258,700	13,099,400	4,343,800	15,072,100
All other wools	233,800	861,200	126,000	809,200
All other raw materials	1,872,300	5,527,300	1,790,000	8,976,800
Total raw materials	22,349,300	72,378,300	22,956,300	84,908,400
MANUFACTURES.				
Aerated waters	397,100		405,300	
Apparel	304,500	55,900	279,300	72,400
Arms and ammunition	453,500		201,400	
Beer and spirits:				
Beer	1,292,900		1,468,600	
Spirits	2,273,300	46,500	2,401,800	54,200
Wine		557,800		317,200
Books, printed	2,185,800		2,204,900	
Cement	811,200		832,700	
Chemicals, drugs, and medicines	4,755,000	106,900	6,228,100	371,300
China and earthen ware	2,785,900	378,300	2,988,900	480,800
Cottons:				
Piece goods	10,784,200		13,487,500	
Other than piece	7,617,200	8,072,700	8,031,100	6,683,100
Yarn	2,461,600		4,117,100	
Total	20,863,000	8,072,700	25,635,700	6,683,100
Cutlery and hardware	595,400		625,800	
Furniture and cabinet ware	531,800	90,500	441,900	277,800
Glassware	884,500		947,000	
Glue and gelatin	344,900	84,300	372,800	95,900
Implements and tools	228,500		205,800	
India-rubber goods	222,800	77,900	320,600	79,300
Jute manufactures	6,988,700	4,909,000	6,625,700	4,172,000
Leather, wrought and unwrought	1,757,800	3,098,600	1,893,800	2,954,000
Linen manufactures	18,098,600	67,300	18,866,500	70,500
Linen yarns	377,300		532,300	
Machinery, textile, chiefly	3,729,400	199,400	3,722,300	193,600
Metals:				
Iron, and manufactures of	16,782,700	107,500	20,195,400	98,700
Tin, unwrought	1,874,700	22,533,600	1,554,100	17,400,600
All other	1,676,800	1,275,900	2,496,400	4,128,600
Total metals	20,334,200	23,917,000	24,245,900	22,527,900
Oil and floor cloth	1,823,100		2,018,100	
Painters' colors and materials	582,000		549,300	
Paper	528,300		546,900	
Pickles and sauces	685,200		574,700	
Pictures, prints, and engravings	804,300	128,500	614,300	102,200
Plate and plated ware	152,800		108,500	
Precious stones:				
Diamonds		2,516,900		1,102,900
Other (unset)		1,306,900		549,900
Saddlery	400,500		333,800	
Scientific instruments	199,900		292,000	
Ships and their machinery		944,100	571,800	
Silk manufactures	1,119,600	579,900	1,506,600	2,334,900
Soap	278,300	19,400	308,000	31,600
Stationery	533,200	334,200	720,700	333,300
Straw plaiting	32,600	559,100	33,000	358,200
Telegraph and telephone wire and apparatus	267,700		2,186,000	
Woolen and worsted goods	7,801,800	515,800	7,573,200	502,700
All other manufactures	7,343,200	3,030,900	7,945,600	4,376,900
Total manufactures	112,768,600	51,597,800	127,506,600	47,142,600
Total exports	135,117,900	123,976,100	150,462,900	132,051,000

Attention is called to the very large proportion of foreign and colonial products (reexports) which enter into the British exports to

the United States, viz, $132,051,000 against $150,462,900 of British products proper. The reexports, contrary to general belief, are not composed of raw materials on their way to the United States from nonmanufacturing countries, as $47,142,600 worth thereof is composed of manufactured articles, such as fine cotton goods, laces chiefly, jute goods, leather and leather goods, metals, silk manufactures, etc.

EXPORTS BY CONSULAR DISTRICTS.

The total value of exports declared at the several consulates and agencies throughout the United Kingdom to the United States during 1907 was $240,252,687, against $234,837,865 in 1906 and $195,409,917 in 1905. The amounts were as follows:

Districts.	1905.	1906.	1907.
Belfast	$13,611,594	$15,907,904	$16,157,326
Birmingham	2,926,361	3,260,430	3,202,701
Bradford	17,993,479	15,565,042	16,860,433
Bristol	436,545	652,037	567,725
Burslem	2,546,668	2,897,679	3,090,719
Cardiff	2,574,681	755,340	731,015
Cork	201,020	123,487	112,747
Dublin	1,284,790	1,270,709	1,389,230
Dundee	9,332,346	10,416,095	10,750,328
Dunfermline	2,388,341	2,973,023	2,905,644
Edinburgh	1,432,728	1,833,494	1,782,571
Glasgow	5,712,820	8,022,155	9,524,564
Huddersfield	1,390,532	1,558,777	1,292,049
Hull	927,132	975,132	992,872
Leeds	1,078,502	1,232,309	1,157,203
Liverpool	23,265,344	33,651,228	35,374,448
London	[a]77,849,456	94,711,769	89,225,027
Manchester	11,455,835	13,873,985	16,775,967
Newcastle	3,253,621	5,499,829	7,579,986
Nottingham	7,123,096	8,659,295	10,187,108
Plymouth	1,945,207	2,467,068	3,028,245
Sheffield	3,164,918	4,717,339	4,166,464
Southampton	178,394	167,412	235,878
Swansea	3,330,501	2,985,707	3,156,437
Total	195,409,917	234,837,865	240,252,687

[a] Estimated.

BRITISH SHIPPING AND THE WORLD'S CARRYING TRADE.

British official returns contain tabulated statements showing the carrying trade of all countries and the share of the United Kingdom therein for the year 1907. The following figures are extracted, showing the tonnage of the vessels of all nations, the United Kingdom excepted, entered and cleared with cargoes at and from the various countries:

Countries.	British vessels.		All other vessels.		Total.	
	Entered.	Cleared.	Entered.	Cleared.	Entered.	Cleared.
	Tons.	*Tons.*	*Tons.*	*Tons.*	*Tons.*	*Tons.*
Foreign countries	22,198,443	30,156,793	11,708,730	20,326,450	33,907,173	50,483,243
British possessions	7,067,283	6,823,305	428,024	276,495	7,495,337	7,099,801
Total	29,265,726	36,980,098	12,136,754	20,602,945	41,402,510	57,583,044

The foregoing statement shows that British vessels controlled about 67 per cent of the entrance tonnage and nearly 68 per cent of the clearance tonnage. The British control of the carrying trade with its possessions, as will be seen in the statement, is almost a monopoly.

It may furthermore be noted that the British cargo tonnage in many of the leading commercial countries is greater than the cargo tonnage under the national flags of those countries, as will be seen in the following statement showing their cargo trade in 1907:

Countries.	Cargo carrying trade of the specified countries in—					
	British vessels.		Vessels of each country.		Excess of British.	
	Entered.	Cleared.	Entered.	Cleared.	Entered.	Cleared.
	Tons.	*Tons.*	*Tons.*	*Tons.*	*Tons.*	*Tons.*
United States	6,694,272	5,337,147	266,836	253,546	6,427,436	5,083,601
Russia	1,532,045	697,102	487,546	445,609	1,044,499	251,493
Germany	1,477,999	2,935,622	663,940	2,079,133	814,059	856,489
Netherlands	1,352,310	2,135,747	1,283,657	1,500,487	68,653	635,260
Belgium	1,723,299	1,821,362	370,391	519,872	1,352,908	1,301,490
France	2,025,510	4,202,822	649,982	852,713	1,375,528	3,350,109
Spain	1,812,019	927,787	862,378	408,703	949,641	519,084
Total	16,617,454	18,057,589	4,584,730	6,060,063	12,032,724	11,997,526

SHIPPING RETURNS FOR THE UNITED KINGDOM.

The following statement shows the tonnage of vessels engaged in the foreign trade, entered and cleared with cargoes, at the ports of the United Kingdom in 1906 and 1907:

Year.	British.	Foreign.	Total.
Entered:	*Tons.*	*Tons.*	*Tons.*
1907	29,265,726	12,136,784	41,402,510
1906	29,146,749	12,812,765	41,959,514
Increase (+) or decrease (−)	+118,977	−675,981	−557,004
Cleared:			
1907	36,980,099	20,602,945	57,583,044
1906	35,445,755	18,852,919	54,298,674
Increase (+) or decrease (−)	+1,534,344	+1,750,026	+3,284,370

IMPORTS AND EXPORTS OF GOLD AND SILVER.

The following statement shows the imports and exports of gold and silver into and from the United Kingdom from and to the principal countries in 1907:

Countries.	Imports.			Exports.		
	Gold.	Silver.	Total.	Gold.	Silver.	Total.
United States	$3,183,995	$58,211,617	$61,395,612	$89,323,687	$3,212	$89,326,899
British South Africa	143,288,496	105,646	143,394,142	633,497	69,834	703,331
South America	4,356,008	951,523	5,307,531	37,344,616	1,819,481	39,164,097
Germany	37,762,326	1,733,739	39,496,065	15,394,087	1,793,100	17,187,187
France	25,325,777	1,857,046	27,182,825	35,080,788	7,400,603	42,481,391
Australasia	24,029,613	612,906	24,642,519	.....	1,810,970	1,810,970
British India	10,387,734	1,436,066	11,823,794	29,821,912	54,201,743	84,023,655
Egypt	8,860,193	59,103	8,919,296	22,288,789	1,557,615	23,846,404
West Africa	5,746,168	146,788	5,892,956	274,251	3,517,666	3,791,917
Belgium	5,163,216	489,316	5,652,532	7,469	389	7,858
Straits Settlements and Ceylon	1,123,524	9,156,485	10,280,009	1,772,419	5,134,419	6,906,838
All other countries	8,594,362	3,025,375	11,619,741	15,597,918	5,036,279	20,634,197
Total, 1907	277,821,412	77,785,610	355,607,022	247,539,433	82,345,311	329,884,744
1906	224,066,284	84,132,358	308,198,622	207,396,929	91,807,909	299,204,839
1905	187,690,660	63,225,636	250,916,296	150,033,425	70,864,401	220,897,826

BRITISH INVESTMENTS ABROAD.

The following tabulated statement showing the capital subscribed[a] by Great Britain for India, the colonies, and foreign countries during the years ended June 30, 1907 and 1908, is compiled from the London Statist of August 1, 1908.

Commenting on the increased subscriptions for 1908 the Statist says:

Never before have we supplied so much capital for railway construction in those countries in which we are specially interested than we have done recently. In the past twelve months Great Britain has supplied no less than £51,000,000 ($248,191,500) of capital to Indian, colonial, and foreign railways, and, including the capital raised for railway construction by Government loans, the total amounts to nearly £70,000,000 ($340,655,000), and we shall probably supply additional large amounts in the next two or three years. This expenditure of capital upon railways will greatly increase the production of food, and will provide the additional supplies of foodstuffs which the world now so urgently needs. Our investments of capital will cause other countries to send foodstuffs to us in increasing quantities for interest, and will give them the power of exchanging additional amounts of their produce for the manufactures of this country.

[a] Amount calculated at the prices of issue, and exclusive of loans raised to repay former loans.

The following statement shows the capital subscribed by Great Britain for India, the colonies, and foreign countries in the years ended June 30, 1907 and 1908:

Countries.	1907.	1908.
RAILWAYS.		
India	$1,946,600	$32,480,237
Canada	22,975,354	51,901,223
Foreign countries:		
United States	61,940,812	69,662,551
Argentina	67,592,472	37,159,337
Brazil	1,216,625	2,676,575
Chile	7,945,925	6,094,245
China		28,420,399
Colombia		1,954,848
Cuba	4,516,112	914,902
Mexico		16,760,071
Paraguay		909,549
Uruguay		1,946,600
Total foreign railways	143,211,946	166,499,077
Total railways	168,133,900	250,880,537
GOVERNMENT SECURITIES.		
India	17,154,512	24,089,175
Colonies:		
Canada		21,176,574
Cape of Good Hope	14,184,061	9,267,539
British Guiana	340,655	
Natal	3,351,702	
New South Wales		7,299,750
South Nigeria		14,599,500
Straits Settlements	24,089,175	
Western Australia	4,720,505	4,720,505
Total colonies	46,686,098	[a] 57,063,868
Foreign countries:		
Brazil	11,898,592	13,869,528
China	3,163,225	12,561,034
Greece		944,101
Liberia		491,516
Russia		5,415,500
Salvador		4,185,190
Siam	5,365,316	
Sweden		14,307,518
Switzerland	3,227,789	
Total foreign countries	23,654,922	[b] 51,774,387
Total government securities	87,495,532	132,927,430

Countries.	1907.	1908.
CORPORATION STOCKS.		
Colonial:		
Canada	$1,594,475	$17,578,485
Cape of Good Hope		677,806
Natal		1,386,952
New Zealand	983,033	716,835
Orange River Colony	1,049,460	
Total colonial	3,626,968	20,360,078
Foreign countries:		
Brazil		2,372,418
Denmark		10,224,516
Japan	8,827,003	
Russia		8,045,842
Total foreign countries	8,827,003	20,642,776
Total corporation stocks	12,453,971	41,002,854
OTHER INVESTMENTS.		
Banks	35,014,112	7,798,106
Breweries and distilleries	217,959	813,289
Canals, docks, and harbors	1,703,275	5,363,866
Commercial, industrial, etc	12,011,062	12,276,486
Electric light and power	3,747,205	7,929,669
Financial, land, investment trust	21,634,857	25,126,445
Gas and water	1,386,952	2,528,146
Iron, coal, steel, and engineering	1,885,997	3,581,987
Mines	32,862,038	17,689,072
Motor traction and manufacturing	2,443,054	705,643
Nitrate	3,844,535	2,758,087
Shipping		4,749,704
Tea, coffee, and rubber	5,013,565	5,635,648
Telegraphs and telephones	40,325,035	729,975
Tramways	4,732,194	13,521,085
Total miscellaneous	166,821,840	111,207,208
Grand total	434,905,243	536,018,029

[a] Exclusive of £5,148,000 ($25,052,742) raised by Canada to repay previous loans in 1908.
[b] Exclusive of conversion loans as follows: Japan 5 per cent, £11,442,500 ($55,684,926); Argentina 5 per cent, £2,515,500 ($12,245,650).

CONSULAR NOTES.

AMERICAN FRUIT IN THE UNITED KINGDOM.

Of the total imports of fruit into the United Kingdom in 1907, $6,580,100, raw apples amounted to $4,187,893, which is not very complimentary to our producers of canned and fancy fruits, wherein they should have a trade nearly equal to that of American raw apples.

The imports of fruit into the United Kingdom in 1907, wherein American fruits should hold a leading place, were as follows:

Fruit.	Total imports.	Imports from the United States.
Raw fruit:		
Apples	$10,858,691	$4,187,893
Apricots and peaches	382,507	330
Oranges	12,388,102	168,867
Pears	2,329,116	128,475
Plums	1,682,348	10,706
Unenumerated	1,652,175	76,890
Dried, unenumerated	1,088,635	122,148
Preserved without sugar	933,834	165,947
Plums, dried or preserved	720,242	520,715
Prunes	232,618	87,597
Raisins	5,880,518	58,398
Canned or bottled, etc. (dutiable)	2,606,262	1,052,134
Total	40,841,108	6,580,100

Consul John L. Griffiths, of Liverpool, writes as follows concerning the fruit trade of the United Kingdom:

During the past four years the prices of California canned fruit have advanced about 25 per cent. This has resulted in the extension of the fruit trade between England and Spain and Italy, which countries have the advantage of the United States in the item of cheap labor.

Canned apples are being imported in increased quantities from Canada and are sold at successfully competitive prices with American apples. California apples packed in cases seem to improve each year, and the English demand for them is increasing, owing to the fine condition of the fruit and the excellent manner of packing. Last year the sale of California apples in this country exceeded the sales of any previous year, and the testimony of all the fruit importers in Liverpool is that these apples are almost invariably fairly and properly graded, that the smaller apples are packed separately, and that the cases are so branded that the markings indicate the quality of the fruit. There is no doubt that if greater care were shown in the selection, grading, and packing of American fruits there would be a gratifying increase in the English demand.

Concerning the fruit trade in Bristol, Consul J. Perry Worden writes:

It is evident, therefore, that if Americans wish to increase the sale of American fruit in Bristol and other parts of England, or even hold their share in the fruit market here, they must meet the conditions created by other competitors and the ever greater demand by the English public for illustrated periodicals and advertising. One very artistic placard, showing some California seedless oranges with the legend "The Aristocrat of the Orange World," has nearly doubled the sale of California oranges here, and if American shippers would give more attention to the supplying of such advertising matter there is no doubt that the traffic in their fruit would greatly increase.

The English are natural travelers, and an appeal to their imagination is scarcely ever in vain; hence placards showing the orange plantations, apple orchards, etc., should be as effective as pictures of banana groves. During the latter part of April some of the finest apples ever sold here were brought from Oregon and quickly dis-

posed of at fancy prices. Had these apples been accompanied by an illustrated placard or two, giving some idea of the life in that distant northwestern State, the name "Oregon" would have been more indelibly stamped on the mind of the apple buyers. A clever sentiment on such cards would add much to their force, and if the price can be stated distinctly and neatly, it would be well to add that to the lettering.

Consul Joseph G. Stephens, of Plymouth, reports that the sale of American fruit is gaining ground rapidly in the west of England, and the shipments from the Pacific coast are now frequent and the fruit is declared to be the finest in the market. The Oregon prunes, for instance, are in a class by themselves.

SHOE TRADE IN THE UNITED KINGDOM.

In writing on the shoe industry of Leicester, Consul Frank W. Mahin, of Nottingham, says:

American designs in both ladies' and gentlemen's wear have had a stimulating effect, and have led to great improvements in fit, style, and general attractiveness. It is added that dull dressed upper leathers, formerly very much in evidence, have, to a large extent, disappeared, and this spring at least 75 per cent of the uppers of all grades of footwear are of either glace or bright-dressed calf, the soles being light and dainty. It is claimed that in high-grade qualities English footwear is not excelled in style or finish by the most noted French or Austrian productions, and that in the matter of price there is a big margin in favor of the home producer.

Consul J. H. Johnson, of Swansea, writes as follows concerning the opportunity for American shoes in Wales:

In Swansea and its surroundings there are about 500,000 people. An attempt was made some years ago to introduce American shoes in this district, and the result indicates that a thoroughly organized and persistent method would turn out successful. There is no tariff duty nor local prejudice against footwear made in America, which is held in high favor, owing to elegance of shape and splendid finish.

Home-made goods at equal value and equal prices are naturally first in demand. Considerable quantities are, however, imported to this district from France and Switzerland, as well as from the United States. France and the United States supply what are termed superior shoes for outdoor wear, and other countries send fancy goods.

The rougher shoes, such as used by miners, agriculturists, and tin-plate workers are manufactured in England and are retailed at such a figure which would make it out of the question for our manufacturers to enter into competition. For instance, coal miners' shoes, which are riveted and hobnailed, are sold here for about $1.40. The same is true of the working shoes for agriculturists and tin-plate workers.

If an American trade is to be established in the better class goods, or shoes retailing at $4 and upward, it is essential that the local demands be studied. At present many American firms at considerable expense have established agencies in London and other large centers from which they work the provincial towns.

Local shoe manufacturers in Leicester and Northampton canvass smaller districts unceasingly, studying the peculiar requirements of the respective districts. This is not a difficult task, and I would suggest that our manufacturers avoid middle-men and canvass the various districts. It would be more profitable to appoint an agent in each town than to restrict agencies to the large towns. I found only one store

in Swansea retailing American shoes. These had been manufactured in Cincinnati, and were supplied to the local merchant through an agency in England. Although the quality was stated as good and the goods warranted pushing, it is questionable whether the local merchant derived the same advantage as if he were supplied direct. There is no obstacle whatever in the way of American manufacturers doing a good business here if they send special representatives. There are good shipping facilities, including weekly sailings from New York to Swansea.

Consul Joseph G. Stephens, of Plymouth, reports a remarkable increase in the sale of American footwear in that city, but as all imports for the United States reach Plymouth via London, the value of American goods of any kind consumed in this consular district can not be ascertained.

Consul Alfred K. Moe, of Dublin, writes that "there is an excellent market for boots and shoes, for fresh fruits, and for flour, but it is almost useless to attempt any business at long range under present conditions."

METAL GOODS, MACHINES, AND IMPLEMENTS.

Relative to the field for typewriting machines in Wales, Vice-Consul A. S. Phillips, of Cardiff, writes:

Cardiff, which is the recognized center of the two counties and the leading seaport of Wales, is considered a very good field for a typewriting machine. The large amount of shipping done at the port, which is mostly of a correspondence character, necessitates careful clerical work. Thus the typewriter is an indispensable instrument. There are several firms represented in the district, but a new machine or a rebuilt machine sold at moderate prices could, by energetic and persistent push, be put on the market and in a short time command a large share of the trade.

AMERICAN VERSUS BRITISH AGRICULTURAL IMPLEMENTS.

In answering the criticisms of a leading English newspaper concerning the lasting quality of American harvesting machines as compared with the British make, Consul Albert Halstead, of Birmingham, writes as follows:

The criticism that American agricultural implements, though cheaper, do not last so long as those of British manufacture makes it desirable to state that the British purchaser always looks for strength and durability in a manufactured article. These are absolute requisites which every manufacturer who seeks to sell his products in the United Kingdom must remember. Because American manufacturers have often failed to pay heed to British demands in this , a few arti s, A can in design but built so as to conform to the Bri nd for ye or u un are now made in England and sold in quar A have th lost trade they could have had if they had w to to prejudices. In such cases the A nd the British are reaping the reward.

INCREASING DEMAND FOR LABOR-SAVING MACHINERY.

Consular Agent F. W. Prescott, of Dover, makes the following report on the annual show of the East Kent Agricultural Society, held at Folkestone:

A noticeable feature was the large proportion of American and Canadian made machinery on exhibit, the leading feature being harvesters, reapers, horserakes, sheep-shearing machines, hop and fruit washers, and small oil and gas engines. There is an increasing demand for labor-saving machinery, and the agricultural society offered a prize for the best set of cattle-food preparing machinery, including oil or gas engine, the net selling price not to exceed £125 ($610), excluding belting, shafting, or fixing. The prize was awarded to the exhibitors of a British-made machine, but I think there is an opening for American enterprise in this direction. Many farmers are now fitting up cheap and simply constructed machinery for general use at the homestead.

ALL LINES OF MACHINERY AND TOOLS FIND A READY SALE.

Consul F. I. Bright, of Huddersfield, states that American machinery and engineering tools are popular in that part of England, the goods being obtained through importing houses in London, Liverpool, and Manchester. Two large Huddersfield engineering firms are extensive users of American tools and machinery, one of them having almost 75 per cent of such equipment. The lines used in that city include factory machinery, machine tools, structural steel, laundry machinery and supplies, hardware and tools, wire cable and fencing, boilers, radiators, steam valves, and wooden parts of sanitary supplies.

ALWAYS A MARKET IN THE UNITED KINGDOM.

Consul John L. Griffiths, of Liverpool, writes as follows concerning American trade in the United Kingdom:

There is always a market in England for American proprietary articles and novelties. The severity of the past winter and the absence of furnaces or pipes in almost all of the older houses and buildings and in many residences recently constructed suggests that a good demand should be created for oil stoves with which to supplement open fires, now so generally depended upon. Some oil stoves which have been used in Liverpool have given excellent satisfaction, as they generate heat quickly, are almost entirely free from odor, and can readily be moved from one room to another. The oil stoves of American manufacture are conceded to be among the very best now offered to the English public.

A difficulty has been experienced in the matter of the purchase of goods from the United States as to prompt delivery. English importers claim that quite often the foreign market seems to be regarded as an emergency rather than as a regular and stable market and that its demands are met in a sporadic way when the home demand is not urgent. The excellence of American manufactured goods is now so well established that, with proper methods of introduction and great care taken to see that the shipments are well packed and that they are promptly forwarded, the sale of many articles should be greatly increased. The conservatism of the English buyer always has to be considered, but this conservatism is not so great that it can not be overcome by demonstrating the superiority of competing goods.

ENGLAND.

BIRMINGHAM.

By CONSUL ALBERT HALSTEAD.

The Birmingham district is one of the largest, territorially, in Great Britain, and has a population of several millions, the population of Birmingham itself being estimated at about 555,000. The district manufactures practically everything that is made in the United States, being one of the largest industrial centers in the United Kingdom. There is perhaps no other district except that of London where the shipments to the United States are composed of so many different articles. A number of districts ship a greater value but in none is the character of the industries so diversified. For this reason, though an excellent market, the Birmingham district is a field in which an American exporter finds competition especially keen. This makes it most difficult to advise as to opportunities for American manufacturers to sell their goods here. The field is a good one, and by proper cultivation the aggregate of sales of American products in this district could be largely increased. Unfortunately there is no possible way in which one can calculate the value or the quantity of American articles sold here, yet I am constantly learning of some new American device or article which has been well introduced.

I was surprised some little time ago upon going into a stationer's to purchase some pens to have handed over the counter one of the best known makes of American pens, and when I asked if many of them were sold here I was told that the sale was very large. This is surprising, because Birmingham is one of the great pen manufacturing centers of the world. Here the steel pen was first made, and the export of pens made in Birmingham to the United States is one of the largest from this district, the value for last year being a little over $133,000.

SALES TO THE UNITED STATES.

One of the most important industries of the Birmingham consular district is the manufacture of saddlery, harness, and leather goods. For the year 1907 the total value of exports to the United States in these articles was $358,283, of which $209,402 was leather goods and $148,831 was saddlery and harness, a total reduction of $117,521 in value for 1907. There is a steadily increasing exportation of needles from Redditch to the United States. Last year the total value was $424,608, an increase of $52,628 over 1906, when the total was the largest for ten years. The export of fishing tackle and hooks from Redditch has also largely increased, the value of these items shipped being $196,862, an increase of $45,974 over 1906. The total value of chemicals exported from this district in 1907 was $313,940, an increase of $21,135; glass and glassware, $209,343, an increase of $19,165; manufactures of steel and iron, $158,616, an increase of $25,469; pins and hairpins, $113,885, an increase of $19,509; and shells, $91,733, a decrease of $36,452. Watch and electrical jewels are a comparatively new shipment from Birmingham, having started in 1901. The total for 1907 was $85,320, a decrease of $4,386. Gloves to the value of $110,866 were shipped, an increase of $27,875. This

does not represent by any means the full value of the gloves that are manufactured in the Birmingham district and shipped to the United States, because two very large glove makers who manufacture in this district and whose articles are very well known in the United States, send their gloves to London to be sorted, and they are declared there. The value of cotton goods shipped was $67,197, an increase of $21,129.

CLASSIFICATION OF EXPORTS.

The total value of the articles of export from Birmingham and agencies to the United States during the past three years is shown in the following statement:

Articles.	1905.	1906.	1907.
BIRMINGHAM.			
Animals	$445	$4,409	$2,506
Bedsteads	1,829	6,364	5,902
Buttons	15,794	18,826	22,678
Chemicals:			
Ammonia	105,593	153,010	198,586
Lead, red	25,442	41,250	30,137
Lime—			
Carbonate	11,692	19,118	18,394
Ground		19,066	22,833
Soda ash	7,116	6,759	7,429
Cotton goods (fancy)	41,333	46,068	67,197
Earthenware	29,915	6,426	20,225
Fancy goods, etc	203,445	198,144	202,613
Glass	128,340	148,373	170,317
Gloves	100,017	61,551	80,480
Guns and parts	22,385	15,062	20,504
Iron and steel manufactures:			
Chain	14,429	25,420	25,568
Hardware	141,822	132,010	116,851
Hoes	14,447	14,158	4,459
Motor cars and parts	31,637	36,806	27,482
Tubes	13,655	15,698	21,071
Wire	19,043	36,802	51,472
All other	52,577	101,102	123,828
Leather goods	101,742	235,851	205,118
Metal, scrap	4,772	40,534	28,425
Nickel	98,987	36,997	14,666
Paint	6,495	5,517	9,094
Pens	124,221	142,627	133,288
Phosphorus	14,183	16,370	22,333
Pins and hairpins	105,459	94,876	113,885
Saddlery and harness	248,043	230,816	147,775
Shells	71,534	128,205	91,753
Silver and plated ware	59,056	47,102	24,943
Skins	117,986	56,956	14,729
Watch and electrical jewels	87,513	89,706	85,320
Webs	2,400	2,601	11,123
All other articles	119,661	73,662	42,567
Total	2,143,008	2,307,942	2,185,551
REDDITCH.			
Fishing tackle	143,010	224,314	196,862
Needles	304,559	298,554	424,608
Total	447,569	522,868	621,470
KIDDERMINSTER.			
Carpets	37,604	35,201	28,696
China and stone ware	8,988	9,268	11,235
Glassware	40,918	41,805	39,026
Gloves	20,382	21,439	30,386
Iron and steel manufactures:			
Anvils	25,191	33,021	48,525
Hardware	8,647	193	1,400
Machinery, carpet	20,053	2,259	6,628
Scythes		6,918	7,364
Oil, sod	12,801	15,214	21,087
Skins	61,718	131,180	70,743
All other articles	7,752	19,678	29,289
Total	244,054	316,174	294,379

Articles.	1905.	1906.	1907.
WOLVERHAMPTON.			
Chemicals		$2,533	$4,630
China ware	$5,634	7,158	6,680
Iron and steel manufactures:			
Galvanized	511	1,981	3,611
Hardware	16,247	5,499	4,574
All other	26,928	32,985	34,797
Leather goods		3,332	4,284
Oxide of iron	4,744	1,884	4,219
Tiles (earthenware)	8,188	18,467	11,535
Varnish and colors	24,578	28,097	22,635
All other articles	4,901	11,510	4,336
Total	91,731	113,446	101,301
Grand total	2,926,362	3,260,430	3,202,701

LEATHER GOODS INDUSTRY.

The failure of the British Government to make heavy purchases of arms, ammunition, saddlery, and other things, the supply of which for Government purposes is one of Birmingham's specialties, was not favorable to business here. In the demand for motors, bicycles, and accessories the year started so as to promise to surpass all others. Orders were large and factories busy, but bad weather came and caused a smaller demand, and the results of the year were not so good as 1906, though they were a little better than 1905, which was a good year. The year ended with a doubtful outlook for the automobile industries, the boom seeming to have collapsed.

The saddlery industry, which is important in this district, has not been in good condition since the end of the South African war, which had brought large orders of saddlery. Then followed very shortly the development of the motor industry, which curtailed the demand. Manufacturers then turned to the making of other kinds of leather goods, and have improved their position somewhat. Last year there was no improvement in the saddlery trade and in the fancy leather goods trade. Conditions were not as active toward the end of the year as they were in the first half. In jewelry, watches, and silverware the most part of 1907 was unsatisfactory, and this was true also of the glass industry.

BUSINESS OF THE AGENCIES.

In that part of the Birmingham district which surrounds Redditch business generally was most gratifying, the needle industry enjoying an exceptionally good season. This trade suffers somewhat from the competition of German manufacturers in the cheaper grades, but Redditch still controls the market for the best kinds of needles, especially with the United States, with which the business is steadily increasing. In the manufacture of fishing tackle Redditch had a good year, with an enlarged demand and prospects for continued expansion. Redditch fishing tackle has to compete with that made in America, Norway, and France, but it still controls the best grades and holds its own with the cheaper qualities. In the manufacture of cycles business was not so good as had been hoped.

In the territory of the Kidderminster agency the year was not a good one, the carpet industry having rather a trying time. The very

high prices for woolen yarn, jute, and other raw materials checked development and cut manufacturers' profits, though business was good in the first part of the year. Kidderminster suffered also because it has no longer such a large part of the business of manufacturing carpets in Great Britain, the trade having been somewhat scattered. Kidderminster carpet manufacturers, however, are showing an increasing ability to meet the popular demand for attractive carpets and to break away from stereotyped styles. Their copies, for example, of Turkish and Persian rugs are becoming popular. The manufacture of tapestry, which was formerly an important Kidderminster industry, is reviving, and last year's results gave ground for some optimism as to its future.

Wolverhampton and its adjacent territory, the "Black Country," is engaged in the manufacture of hardware. Steel and iron are also produced in large quantities, but the prestige of years ago has not been maintained, the industry seeking location nearer the sea. Iron founders, however, were well employed, manufacturers of malleable goods had plenty of orders and there was a steady call for edged tools. The hardware trade generally was not satisfactory. In the manufacture of shoes the results were good. The motor industry in Wolverhampton started well and had a successful season, but here as elsewhere in this great motor manufacturing district manufacturers have extended their premises more than events have justified, so that the productive capacity of the Birmingham district in the automobile line is now greater than any probable demand in the near future.

BRISTOL.

By Consul J. Perry Worden.

Many leaders of commerce and finance in this city, buoyed up possibly by the optimistic feeling prevailing in Bristol, as the result of the building of the new Royal Edward dock, but misled probably by the general prosperity prevailing in the north of England, predicted a still better year for 1907, and expected a great increase of trade. The results were not fully realized, and the year did not fulfill its promise. Business was not bad here until the financial crisis in the United States last November, and then trade in general collapsed immediately, lower prices prevailed, and business lessened, although Bristol, having many interests to fall back upon, and not dependent on one staple trade or industry, suffered less than other centers in the United Kingdom.

The falling off in trade with the United States is indicated, in part, in the statistics as to the number and net tonnage of sailing and steam vessels, including their repeated voyages, that entered and cleared with cargoes and in ballast in the foreign trade at the port of Bristol during 1907, as compared with the preceding year. In 1906 3 sailing vessels of 1,961 tons and 73 steam vessels of 122,842 tons entered from the Atlantic, while 1 sailing vessel of 699 tons and 58 steam vessels of 104,372 tons cleared for ports on that ocean. In 1907 69 steam vessels of 119,715 tons entered from the Atlantic,

and 2 sailing vessels of 2,868 tons and 55 steam vessels of 98,643 tons cleared for the Atlantic. In 1906, also, 1 sailing vessel of 1,608 tons cleared for the Pacific, while in 1907 1 sailing vessel of 2,750 tons entered from that ocean.

TRADE CONDITIONS.

Little or no improvement was made in the building trade here, and few works of any real magnitude were executed. The carriage building trade of 1907 was most unsatisfactory, not only in Bristol and vicinity but in the colonies abroad. Once the sale of Bristol-made carriages was brisk in South Africa, but this has practically ceased, and the tariff of 45 per cent has stopped what little trade there was with the United States. The long-continued spell of wet weather during the summer of 1907, followed by the mild autumn, seriously affected the orders for clothing in Bristol, while the cold spring and summer strengthened the tone of the coal market, maintaining the high level in prices. The confectionery trade was affected by the taxation of the principal raw material, sugar. It is claimed that speculation in the United States, followed by a 7 per cent bank rate in England, brought about hard times for the engineering, brass and copper-smithing trade in this locality.

FURNITURE—GRAIN AND OIL TRADE.

Contrary to expectation also, the year for the furniture and cabinet-making trade in Bristol was one of the worst on record. The increased cost of price in raw materials, including timber, compelled a large number of firms to advance their prices in the spring of the year, but other makers were afraid to do this because of keen competition, and some factories have been working at an actual loss. The grain trade, however, was very satisfactory throughout the Bristol Channel. The chief supplies came from Argentina, Australia, Canada, and India, Russia's harvest being limited. The year 1907 was also fairly good for the hemp and flax trade here, so far as the quantity of output is concerned, but owing to the advance of Italian and Russian hemp, which commenced in 1906 and continued steadily until the autumn of 1907 (when they attained a level not reached in the past thirty years), it has been difficult or impossible to get an average proportionate advance on manufactured goods. At the close of the year, however, the prospect was not very bright.

The iron trade, which commenced with a cheerful tone, continued busy during the summer months and early fall until the American collapse in October. Very large shipments of linseed came to hand during the year, which were naturally followed by an exceptionally heavy production of oil. This increase of production, however, was met by a more than proportional increase in consumption, and better prices were maintained than in 1906, until the crisis in the United States, when the market gradually eased down.

One of the greatest decreases in prices was in the turpentine trade, due to an oversupply in the United States and a lesser demand here. In 1906 some 18,725 barrels were delivered in Bristol, whereas in 1907 the total number amounted to only 13,300 barrels. American pale

rosin maintained a high value for the whole year. This was probably due to the high price of cotton-seed oil, which brought about a substitution by soap makers. The total quantity of all grades of rosin imported into Bristol during 1907 was 27,662 barrels, of which 25,949 barrels came from the United States.

DECREASE IN IMPORTS OF PROVISIONS.

The automobile industry did not do as well in output or prices as in 1906; and the pottery trade not only fell off but is threatened with serious losses in South America, so that with the demand from employees for an increase of 15 per cent in wages the pottery proprietors are much embarrassed. Some extremely varied and unusual conditions, too, were experienced in the provision trade in regard to butter and bacon. The unsatisfactory results of 1906 in butter contracts tended to make wholesale and retail buyers very cautious in their operations in 1907, and this would have reduced the basis of values had there not come a shortage of the world's supplies. The deficiency commenced with the Canadian and American products. The total shipments of Canadian provisions for the season was only 66,773 packages, or a decrease of 294,627 packages compared with the previous year, and 506,676 packages less than in 1905; and practically none from the United States, against 1,260 packages shipped in 1906. An enormous supply of hogs, put on the American market after importers had made their contracts for the coming year, caused great losses to the trade. The lard trade was very unprofitable, but the canned meat business is resuming its normal proportions.

The quantity of provisions imported into Bristol during the past four years is shown in the following statement:

Description.	1904.	1905.	1906.	1907.
	Tons.	*Tons.*	*Tons.*	*Tons.*
Bacon and hams	8,733	9,454	11,355	9,693
Butter	4,945	4,678	4,046	2,517
Cheese	18,134	17,529	18,345	17,247
Lard	5,310	5,813	5,575	7,388
Total	37,122	37,474	39,321	36,845

TANNING AND TIMBER IMPORTS.

At the commencement of 1907 the tanning industry of Bristol was heavily handicapped by the extreme prices of hides. The sale of leather was quiet, and the prices obtained were inadequate to the cost of raw material. Tanners consequently were unable to show a profit, and, to make matters worse, the price of bellies, shoulders, tails, etc., fell considerably toward the middle of the year, rendering the situation still more difficult.

The value of butts and bends showed little signs of weakness, except in the case of firms who were compelled to sell at forced prices in order to stock their yards with cheaper hides.

The timber trade opened with advanced prices by the producers in nearly all varieties of stock, and in anticipation of the general boom of trade affecting the consumption of all timber importers readily

responded to the demands of the shippers and contracted early in the year for their average requirements, to find later on that the expected demand was not forthcoming; and the early spring trade turned out worse than the previous year. This condition continuing into the summer of 1907, the importers were bound to hold off from purchasing the ordinary volume of stock, and as the general dullness continued the shippers found they could not make progress with their sales. In August a slump in values resulted, and goods were available at largely reduced prices. Nearly all suffered in the decline. A further difficulty was experienced by merchants in the increased freights demanded and obtained by shipowners.

There is little doubt that the supplies from Norway will be limited, but exporters are of opinion that the stocks in Sweden will keep the prices for "first open water" shipments from Norway on a reasonable basis. The financial stringency, it is expected here, will have a deterrent effect on production in many quarters, both in Europe, Canada, and the United States. The import of wood goods at the port of Bristol in 1905 was 147,187 loads, while in 1906 it was 163,880 loads, which increased in 1907 to 166,908 loads.

THE FOREIGN TRADE.

The total imports into Bristol during 1907 were valued at $65,802,-266, against $44,344,105 in 1906. The principal items are shown in the following statement:

Articles.	Value.	Articles.	Value.
Animals, living	$927,438	Paper	$739,044
Breadstuffs:		Provisions:	
Barley	5,727,167	Dairy products—	
Flour and wheat meal	1,126,869	Butter	1,064,157
Maize	4,696,005	Cheese	4,479,820
Oats	355,992	Milk, condensed	215,059
Wheat	9,082,660	Meat products—	
All other	142,631	Bacon	1,915,853
Coffee	198,168	Hams	215,011
Currants	486,347	Lard and imitations	1,394,644
Dyestuffs	640,142	Mutton, fresh	247,194
Eggs	103,195	All other	249,416
Glass, etc	341,738	Pyrites	219,467
Hides	763,241	Rice	131,862
Iron and steel, and manufactures:		Rosin	268,064
Blooms, ingots, etc	243,437	Seeds:	
Ironware	313,623	Cotton	2,430,140
Machines, etc	149,940	Flax	1,085,538
Nails	137,742	Spirits, wine, and malt liquors:	
Leather	690,707	Beer	15,453
Oil:		Brandy	730,543
Gas	130,440	Rum	309,230
Lubricating	312,627	Wine	320,417
Petroleum	1,439,752	Sugar, etc	5,019,991
Other	147,249	Tobacco	426,718
Oil seed	464,494	Woods	2,293,647
Oil-seed cake	410,410	All other articles	2,381,390
Ores:			
Lead	126,908	Total	65,802,266
Tin	358,271		
Zinc	132,415		

VALUE OF EXPORTS OF BRITISH AND IRISH PRODUCE.

The value of exports from Bristol during 1907 of British and Irish produce was $16,717,239, and of foreign and colonial produce $479,831. The principal items were as follows:

Articles.	Value.	Articles.	Value.
Apparel	$126,836	Iron and steel, and manufactures—Continued.	
Beer	79,629	Plates	$4,750,310
Books	30,629	Sheets, galvanized	4,273,381
Boots and shoes	72,927	Tin plates and sheets	1,015,380
Chemicals	248,989	Metals, and manufactures	829,517
China ware	43,728	Tobacco, cigarettes, and snuff	184,398
Clay, raw	62,375	Wool, and manufactures	131,264
Grease	142,511	All other articles	4,575,351
Hats, etc., straw	39,660		
Iron and steel, and manufactures:			
Pig	110,354	Total	16,717,239

EXPORTS TO THE UNITED STATES.

The value of the exports to the United States during 1907 was $567,625, against $520,646 in the previous year. The following comparative table shows the leading items:

Articles.	1905.	1906.	1907.
Ammonia, muriate	$70,006	$92,658	$91,528
Arsenic	.....	5,789	15,057
Bacon and hams	2,506	2,071	2,385
Bleaching powder	18,386	20,623	25,985
Bookbinding material	560	3,375	5,921
Books, etc	43,223	67,254	78,521
China and earthen ware	2,731	4,552	6,486
Chocolate and cocoa	8,312	9,252	7,385
Fuller's earth	.....	3,333	6,970
Furniture	16,484	12,465	16,617
Gloves	.....	109,829	42,476
Glue	8,919	14,938	7,706
Glycerin	18,335	.....	20,698
Household effects	.....	.....	4,025
Iron, oxide	7,245	17,605	16,132
Lyes, soap	.....	.....	23,974
Oil, sod	4,412	3,090	2,868
Rope, old	58,312	22,040	52,234
Stearin	.....	1,548	7,038
Tin plates	.....	36,772	11,049
Type metal, etc	39,634	.....	12,985
Umber	3,080	7,044	7,759
Wines and spirits	2,088	4,169	11,033
Woolens	14,746	26,803	32,253
All other articles	93,971	55,447	58,540
Total	413,550	520,646	567,625

BRADFORD.

By Consul Erastus S. Day.

During 1907 Bradford enjoyed considerable prosperity, machinery never having been better employed. It seems as if the whole textile industry of the West Riding felt the boom in trade which visited the United Kingdom and in which this consular district fully shared. Not for a long time has there been such content among spinners, manufacturers, and employees as was witnessed during the past year. This alone is a sign of material prosperity, and but for the decline in

wool which took place during November and December Bradford would have had one of the best years in its history.

With the advent of 1907 every comb, spindle, and loom was going to its utmost capacity, and notwithstanding heavy arrivals of wool bought in Australasia and elsewhere and shipped direct, Bradford was ready for the first series of London sales. In fact, at no period did supplies exceed the demand, all through the year wool going into consumption immediately. It was thought at one time that with a largely increased clip from Australia prices would inevitably fall, many top makers in the autumn of 1906 making "future" sales for the delivery of tops from January to June, 1907, at lower than the then ruling price, but with values being maintained and advancing these unfortunate ones had to lose considerably. When a "future" contract is entered into in Bradford it is religiously carried out both by seller and buyer, the wool, tops, and yarns always being delivered, seldom differences being paid in cash.

POSITION OCCUPIED BY FINE WOOLS.

Fine wools all through the year occupied the premier position, prices generally advancing up to about the last week in October. It is years since merinos displayed such a steadiness as during 1907, the fall in November and December being the direct result of the money stringency throughout the world. It is the opinion of experts that merino wools would never have fallen as they did but for the shaken confidence as the direct result of high money rates and financial troubles abroad.

Ever since the last clipping time markets for English wool have gradually weakened, until even the reasonable prices ruling at country fairs in July seem now too high. The absence of big war orders for the British and other governments has no doubt had a depressing effect upon English wools, and the future is not considered very bright for this class of material.

SPINNING AND PIECE-GOODS INDUSTRY.

In reviewing the spinning and piece-goods industry, spinners have had one of their best years. It has been said that Bradford spinners were the complete masters of the situation, and the best evidence is found in the fact that profits have not been as good for many years. Orders poured in on spinners both for home and export account, and more could have been given out if they could have guaranteed early delivery. The result was that prices were paid for yarns which showed excellent margins between the cost of the top and the cost of the spun yarn. Those spinning fine counts have fared the best, but even cross-bred spinners have had no cause for complaint. Germany took increasing quantities of its usual qualities; in fact, Bradford seems strongly entrenched on the Continent, where cross-bred yarns are required. It is surprising the volume of business this center does in export of tops, noils, and yarns. A very large trade is done with the Continent in two-fold 40's cross-bred yarns, and also to a less extent in singles. Mohair yarns have also been very heavy, and Bradford seems to spin for the world apart from the United States.

Manufacturers generally have had little to complain about with the exception of price, orders being plentiful. Makers of piece goods

were never able to command a price commensurate with the cost of the raw material, consequently a good deal of substitution has been done. A great many producers work to a price—that is, for years they have made certain standard fabrics at a given value—and they must continue to work to that price if possible. This means that a lower quality of yarn had to be used or a larger percentage of cotton and mungo used in the woolen trade. But looms were kept fully occupied and late deliveries were common. The summer of 1907 was a most unfavorable time for Bradford dress goods, the constant rain upsetting the calculations of the wholesale people considerably. But manufacturers speedily adapted themselves to the needs of the hour, and before the summer was over some very good lines of dress cheviots and fine tweeds in fairly dark shades were on the market and sold largely for holiday purposes and autumn wear.

BUSINESS IN THE COTTON-LINING TRADE.

Bradford had a larger trade than ever on export account, and this contributed greatly to a very successful year. More goods are being taken from this district by far eastern markets, while Australia and South America have also been buying extensively from shipping houses. This district has almost secured the cotton-lining trade of all foreign markets. The variety, methods of dyeing and finishing, and price per yard exhibit in a marked degree its manufacturing ability. Tweeds are not so popular in dress-goods circles as they were, and a movement is on foot to try to enlist patronage for essentially Bradford-made goods, namely, mohair fabrics. More of these were sold last year than for some time back, but the weather was altogether unpropitious. A choicer range of shades and designs was never shown than that being produced in Bradford, and a good season's trade is anticipated. The old worsted dress serges which are being produced in this district are being largely made with a cotton warp and a worsted weft, instead of all worsted, as was the case previously. This means that the price per yard is about 50 per cent cheaper than what all-wool dress serges can be made at.

A NEW FINISH FOR FABRICS.

The Bradford Dyers' Association has done much during the past few years for the trade of this district, and its dyeing and finishing is now equal to anything in the world. Several finishes are now given to fabrics which are permanent, and "cockling" and "spotting" have ceased to be causes of trouble between manufacturer and merchant. Cotton linings are also being dyed and finished to perfection, the luster being permanent. During the past year a new finish, known as "Permo," was introduced, which is meeting with success. In the past mohair fabrics were rather difficult to handle in the finishing department, creasing being hard to prevent. This patent finish produces results which entirely eliminates all the creasing tendency of fabrics, and is applicable to both plain and fancy effects. It produces as bright an appearance as silk, the fabrics drape perfectly, and have the advantage of shedding dust easily. Goods having this finish can be obtained in many varied styles, but all show the above characteristics, the result being that some handsome dress materials are available.

There is a fabric being made in Bradford which is a combination of wool and mohair, and which presents unique features when treated

with the "Permo" finish. It is rather difficult to describe, but the result is a chiffon effect which looks remarkably well, and a great future is predicted for this finish and the numerous fabrics to which it has been applied.

TRADE WITH THE UNITED STATES.

Last year's trade between this consular district and the United States was good. It was not exactly the largest total, since the shipments for 1905 were a little larger, but the last three years' trade ranks as the best in many years, the totals being as follows: 1905, $17,993,499; 1906, $15,565,042, and 1907, $16,860,433.

The most surprising item in the whole list of exports to the United States is that of cotton cloths, and particularly cotton linings. It certainly is an anomaly to find the United States growing cotton which is spun and woven in Lancashire, after which it is sent to Bradford to be dyed and finished, and then returned to the United States, the value of linings shipped thereto in 1907 from Bradford alone amounting to $3,493,093. Stuff dress goods also show an increase last year, there being nothing like the decrease that was seen at the end of 1906. The actual shipments of wool stuffs dress goods show an increase of $104,486; hence it will be seen that the falling off is entirely in wool linings. No doubt the high price of wool, with the consequent increased rates for linings, somewhat curtailed orders, though this decrease was more than atoned for in the shipments of cotton linings.

CLASSIFICATION OF EXPORTS.

The articles of export from Bradford to the United States during the past three years were as follows:

Articles.	1905.	1906.	1907.
Card clothing	$58,678	$82,922	$72,575
Carpets and rugs	81,824	75,009	93,306
Cotton, and manufactures of:			
Dress goods	345,086	563,610	1,051,363
Linings	3,555,021	3,244,618	3,493,093
Waste	3,252	9,899	6,358
Grease, etc	20,281	9,007	9,396
Hair, alpaca	24,110	38,416	31,991
Hides	122,720	126,264	148,043
Jute waste	.....	42,424	77,513
Machinery	487,100	960,456	715,309
Mohair	67,419	173,247	353,097
Noils	31,551	12,348	16,597
Paper	22,036	19,041	20,642
Rags	8,928	19,788	4,239
Silk, and manufactures of:			
Piece goods, including cotton	14,534	9,338	50,260
Seals, plushes, etc	11,362	9,075	13,674
Waste, etc	64,434	21,611	19,986
Stuffs:			
Dress goods	4,443,096	2,771,250	2,875,736
Linings	1,331,338	1,100,977	973,913
Tape, braid, etc	13,200	14,653	9,987
Wire	232,081	315,528	368,758
Wool, and manufactures of:			
Raw	5,362,626	4,384,307	4,419,895
Cloths	38,357	56,407	180,150
Coatings, worsted	295,977	301,495	387,812
Waste	51,527	4,425	330
Yarns:			
Cotton	235,272	110,621	316,572
Silk	313,429	301,641	334,318
Worsted and mohair	17,410	11,919	64,487
All other	11,077	8,298	197
All other articles	729,753	766,448	750,836
Total	17,993,479	15,565,042	16,860,433

IMPORTS OF AMERICAN GOODS.

The importation of American goods continues to be satisfactory, though the bulk does not find its way here direct but through houses in the larger shipping centers, principally Liverpool and London, where large stocks are carried and drawn upon as required. There is no means of ascertaining the value of American products consumed here, but it is considerable and consists principally of cereals, cotton, fruit, furniture, hardware, machinery, meats, shooks, silverware, soap, tobacco, tools, watches, and clocks.

The provision branch, in which two years ago there resulted almost a practical boycott, has partially recovered. It, however, opened the door to the English packers, who were not slow to take advantage. Meats are being put up in an attractive manner in glassware in place of tins, and the question is asked "Why can not American ox tongues, etc., be packed in the same manner?" In bacon, inquiries are being made for American shoulders and hams, which enjoyed such a run some time ago. There is a good opening for these. Canadian long sides and Danish bacon have been on the market lately.

HUDDERSFIELD.

By Consul Frederick I. Bright.

Huddersfield has long held a position of primacy in fancy worsteds and fine woolens for men's wear. The Colne Valley specializes in tweeds and makes other woolens in medium grades. The district of Dewsbury and Batley is the center of the rag and shoddy trade, where the cheapest woolens are made. An extensive industry in rag sorting for respinning and weaving is carried on.

This district contains in its 301 mills, in which woolen spinning is carried on, 957,782 spindles out of 2,613,759 for the United Kingdom, and in its 28 mills for worsted spinning 225,456 spindles out of 2,937,900. The 279 woolen weave mills contain 17,577 power looms out of 50,357 for the United Kingdom and 43 worsted weave mills 5,805 out of 52,725.

There is but one independent combing establishment and only a few worsted spinners do their own combing; tops are largely obtained from Bradford combers.

Although a large number of spinners and manufacturers do their own dyeing and finishing, there are 157 independent establishments engaged in these processes. The finishing and dressing of cloth is given special attention, and many of the finer grades of cloth produced in this and in adjoining districts receive the final processes in these specialized establishments.

Some of the largest coating manufacturers, however, have dyeing and finishing departments.

The extent to which localization has taken place in the woolen and worsted industries of the United Kingdom is shown by the fact that about three-fourths of the persons employed in them live in only a portion of the West Riding of Yorkshire. In the town of Huddersfield it is estimated that about 16,000 persons, or 34 per cent of the occupied population, are so employed; of these 8,500 are women.

The district contains approximately 209 establishments engaged in the four principal branches of the nontextile industries. Mechanical, electrical, and hydraulic engineering constitute the largest and most important branch. The chief products are card clothing, looms, cloth finishing, carding, and a variety of other woolen machinery; hydro-extractors, presses, and other hydraulic machinery; dynamos, motors, electrical appliances, and instruments. The 38 chemical works are largely devoted to the manufacture of coal-tar products.

FOREIGN AND COLONIAL TRADE.

Except for the financial disturbances last fall, the industrial and commercial conditions in this district for the year 1907 were good. Trade was active, manufacturers busy, and the output of finished cloth as large as in any previous year.

As to exports, the usual demand from foreign countries was well maintained. Germany, France, Belgium, and Argentina have been leading customers, but Japan, which purchased during the last two or three years probably more woolens from this district than any other country, and, also, large quantities of worsteds, did not last year buy as much as was expected.

The demand from most of the colonial markets was up to the average of recent years, but trade with South Africa was poor, and exports to Canada, which usually consumes large quantities of Colne Valley tweeds, fell off.

In the home market the Colne Valley trade in goods for ladies' wear suffered on account of the recent demand for the German plain smooth-faced cloths. Large quantities of German mule-spun yarns are used at Huddersfield in the manufacture of fine coatings.

TRADE WITH THE UNITED STATES.

The value of declared exports from this district to the United States for the calendar year 1907 was $1,292,049, a decrease from the preceding year of $266,728, when exports reached the highest point under the present tariff.

The total decrease in exports for the nine months ended September 30, 1907, as compared with the corresponding period of 1906, was but $67,927, while the decrease during the last three months of 1907, compared with the same period in 1906, was $198,801. The falling off during the period of nine months was, in worsteds $34,968, and in woolens $32,071; and during the three months, in worsteds $36,960, and in woolens $18,076. The total decrease for the year was, in worsteds $71,928, and in woolens $50,147. The worsted trade suffered most under the strained conditions of the last quarter.

One of the most prominent features in the trade with the United States has been the growing relative importance of the nontextile exports. The exports in chemicals, card clothing, and machinery have been gradually increasing and during the last calendar year exceeded the total value of the exports of woolens and worsteds by $36,045.

CLASSIFICATION OF EXPORTS.

The following statement shows the value of declared exports from Huddersfield to the United States during the past three years:

Articles.	1905.	1906.	1907.
Card clothing and other machinery	$193,242	$204,862	$223,092
Chemicals and dyes	232,915	238,150	256,696
Cottons, sewing	52,345	53,541	56,039
Wool	256,224	312,318	132,003
Woolens	203,758	220,333	170,186
Worsteds	301,889	345,485	273,557
Other fabrics	85,238	112,150	113,607
All other articles	64,921	71,958	66,869
Total	1,390,532	1,558,777	1,292,049

HULL.

By CONSUL WALTER C. HAMM.

The year 1907 will stand as one of the most important in the commercial history of Hull. For two or three years the trade of the city was not in a satisfactory condition, but in 1906 a great improvement was manifested, and there was still another increase to be recorded in 1907. For the first time in the history of the port the total trade reached nearly $300,000,000, the actual value of the imports and exports and transshipments being $297,439,575, the increase on the figures for 1905 being $36,538,811, of which the imports were responsible for $14,558,188, while the exports increased by $18,177,438, and transshipments increased by $4,109,823. The inward tonnage of the port in 1907 also broke all records, amounting to 5,855,396 tons net, against 5,054,766 tons in 1906, an increase of 800,630 tons.

The trade between Hull and South America is rapidly expanding, and there is little doubt that in future years further developments will take place, the city, by reason of its geographical position, being favorably situated for this trade.

The imports of wheat increased by over 300,000 quarters, the figures for 1907 being very close to those of the record year of 1905. There were also increases in the imports of barley, beans, and maize, but other cereals showed a slight falling off. Seed imports were well in advance of those of 1906, but the imports of oilseed cakes fell off, as also did the imports of flour. The wool trade from Australia has nearly doubled during the past two or three years.

COAL SHIPMENTS.

The exports of coal from Hull to foreign countries in 1907 amounted to 3,526,198 tons, against 2,497,243 tons in the previous year. Grimsby exports last year were 1,555,767 tons, against 1,471,297 tons in the previous year, and the exports from Goole were 1,412,768 tons, against 1,083,003 tons. The total increase in the foreign shipments of coal at the three Humber River ports in 1907 was 1,443,139 tons.

The foreign countries taking the largest amount of coal from Hull during the past three years were as follows:

Countries.	1905.	1906.	1907.
	Tons.	*Tons.*	*Tons.*
South America	126,144	165,139	148,707
Belgium	73,642	121,065	154,039
Denmark	41,240	64,969	69,327
Egypt	75,502	168,852	174,844
France	44,694	128,568	269,553
Germany	201,248	268,435	546,858
Netherlands	186,529	290,844	799,657
Italy	74,355	118,497	150,164
Russia	373,400	554,748	492,139
Sweden	345,886	418,332	420,324

The heavy exports to the Netherlands were not all for consumption, as the bulk was transshipped to Germany.

During the past few years there has been a great change in the lines of the British coal-carrying trade. At one time British coal was sent to almost all parts of the world, but this is not the case now, although British coal exports are larger than ever. At one time cargoes to India and China were every-day affairs, but now Natal sends coal to India, Aden, and the Straits Settlements, and even Borneo is exporting small quantities to the neighboring islands. The Chinese coal trade is being done by New South Wales, and the same country is exporting coal to the west coast of South America, Cape Colony, etc., while Japan is exporting to China, Hongkong, the Philippines, etc. Western Australia has also entered the market with bunker coal.

COTTON-SEED AND OIL CAKES.

The imports of cotton seed in 1907 exceeded those of 1906. It is some years since prices of cotton seed reached such a high level as during 1907. One reason was the injury sustained by the American cotton crop, which caused United States crushers to buy Egyptian seed for the manufacture of edible oil. The Bombay crop was a fairly heavy one, and this helped to relieve the situation to a certain extent, otherwise Egyptian seed would have reached a much higher price.

The imports of cotton-seed and oil cake into Hull during 1907 and the seven previous years were as follows:

Year.	Cotton seed.	Oil cake.
	Quarters.	*Tons.*
1907	304,028	27,463
1906	291,142	44,190
1905	263,952	30,995
1904	234,929	21,579
1903	269,180	15,766
1902	291,964	14,733
1901	217,826	13,345
1900	203,701	16,892

The exports of cotton-seed oil in 1907 were up to the average of previous years, although they were slightly less than in 1906. The

principal export of cotton-seed oil during the past three years were as follows:

Countries.	1905.	1906.	1907.
	Tons.	*Tons.*	*Tons.*
Austria	263	808	118
Belgium	987	1,210	1,088
Denmark	69	84	283
Egypt	279	28	.....
France	333	2,802	1,311
Germany	2,867	2,946	2,642
Netherlands	3,016	2,638	3,164
Italy	74	42	228
Norway	71	81	74
Sweden	491	457	400

DECLINE IN IMPORTS OF AMERICAN PROVISIONS.

The shipments of American meats to Hull declined last year. It is believed that the Hull provision market would benefit considerably by regular weekly sailings from New York. During the past year there have been several steamers from Montreal, but regular sailings are required. The shipments of American meats into Hull for the past year were about 27,400 boxes, or about an average of 525 boxes weekly, a decrease of 75 boxes per week as compared with the previous year. This quantity is far from representing the requirements of the district served by this port, and merchants have still to draw a considerable portion of their supplies from Liverpool.

The imports of bacon, beef, hams, butter, margarine, and cheese for seven years past were as follows:

Year.	Bacon.	Beef.	Hams.	Butter and margarine.	Cheese.
	Cwt.	*Cwt.*	*Cwt.*	*Cwt.*	*Cwt.*
1907	356,527	136,348	5,180	764,692	38,008
1906	355,088	136,764	10,005	867,601	32,389
1905	278,600	129,577	10,508	802,982	14,843
1904	255,312	52,772	14,787	825,776	30,025
1903	280,224	41,293	19,230	848,439	40,307
1902	377,059	52,136	30,411	899,744	30,647
1901	520,261	46,154	33,092	829,835	33,529
1900	519,352	48,410	37,027	759,079	31,423

A large and increasing trade was done in lard last year. Canadian cheese was so dear that English "Cheshires" held the market.

The importations of American cattle were in diminished numbers during 1907, not much more than one-third of the previous year's shipments being brought to Hull. It is claimed in explanation of much of the decreased importation that, so far as Hull was concerned, it was largely due to a dispute at the shippers' wharf in New York.

CANADA AND THE GRAIN TRADE.

Canada is evidently looking after its agricultural interests and is making a strong pull to capture the grain trade of the United Kingdom. Hull takes second place in the import of wheat into the United Kingdom, Liverpool being first and London third. In the manufac

ture of flour it is a question whether Hull stands second or third on the list, as two very large mills have recently been erected in London. The annual imports of wheat into Hull average 4,000,000 quarters, and the manufacture of flour amounts to something like 5,000,000 sacks of 280 pounds each per annum. The importation of Canadian and American wheat in 1901 were 653,965 quarters; 1902, 654,718; 1903, 525,712; 1904, 146,575; 1905, 110,916, and in 1906, 363,875. Hull is the great Russian port of the United Kingdom, and there is a large Argentina trade here also. The tonnage of Canadian ships sailing direct to Hull doubled in 1906 as compared with 1905.

Hull's total imports of grain for the past eight years were as follows:

Year.	Wheat.	Barley.	Oats.	Maize.
	Quarters.	*Quarters.*	*Quarters.*	*Quarters.*
1907	4,240,917	770,303	165,621	935,000
1906	3,921,291	498,584	276,389	909,062
1905	4,478,942	527,010	340,716	673,857
1904	4,260,185	793,317	219,860	731,296
1903	3,822,768	882,415	322,497	816,644
1902	3,218,166	840,632	349,416	912,480
1901	2,874,204	658,851	493,806	819,538
1900	2,420,084	476,808	390,302	772,022

The principal supplies of wheat were derived from the following countries:

Countries.	1905.	1906.	1907.
	Quarters.	*Quarters.*	*Quarters.*
America, east coast	1,099,406	1,477,561	1,640,298
America, west coast	30,123	157,922	30,738
Australia	150,366	128,953	182,732
Calcutta	136,098	30,894	5,667
Kurrachee	1,651,526	1,083,806	1,668,169
Russia	1,262,566	847,180	589,707

The supplies from the east coast ports of America continue to increase; from the west coast the imports have fallen off, but there are indications of a revival.

COMMERCIAL RELATIONS WITH THE UNITED STATES.

The imports into Hull from the United States during 1907 consisted of the following principal articles, quantities being given in tons: Barley, 1,750; maize (corn) and maize flour and meal, 4,974; wheat and wheat flour, 94,848; oats, 2,601; cheese, 382; glucose, 825; tallow 606; bacon, 9,786; meat, 360; cotton-seed meal, 150; oilseed cake, 548; cotton seed, 167; copper, manufactured and unwrought, 125; paper, 5,100; glass, 24; starch, 250; wax, 2,483, and fire clay, 20. Among the other articles of import were asbestos, chemicals, fruit, eggs, leather, hay, hardware, machinery, vegetables, rice, resin, pitch, petroleum, turpentine, varnish, tar, furniture, timber, leather, hides, fish, etc.

The following table gives the annual declared export returns from Hull to the United States for the past three years:

Exports.	1905.	1906.	1907.
Borax	$14,904	.....	$1,789
Brass scrap	.....	$7,370	6,475
Castor seed	35,867	15,992	147,581
Cement	5,406	7,662	5,326
Cliffstone	8,916	9,254	12,670
Coke	1,520	1,753	3,023
Colors	19,730	22,223	6,000
Ebony	8,505	5,425	593
Fertilizers	15,407	8,650	14,371
Fish, herrings	60,321	38,334	20,320
Glue	389	2,763	9,670
Glycerin	14,714	19,258	18,710
Grease	13,416	1,164	101,105
Hides and skins	204,770	173,186	108,588
Iron, pig	32,576	64,342	35,653
Leather	111,592	103,178	2,293
Oil:			
Colza	.....	10,911	17,645
Creosote	18,438	16,780	16,533
Rapeseed	1,030	9,975	22,005
Seed	81,065	141,925	189,373
Sod	430	10,330	9,028
Onions	1,156	6,814	43,112
Oxides	.....	136	17,847
Pitch	835	14,513	22,022
Potash	10,454	17,907	3,029
Potatoes	28,544	70,504	.....
Rope, old	28,082	52,886	22,983
Ultramarine	1,100	12,740	15,859
Washing blue	86,792	5,041	1,773
Whiting	6,683	6,343	4,675
Wool	31,160	49,285	17,192
Yarn, cotton	.....	3,407	17,116
All other articles	83,258	64,985	78,453
Total	927,132	975,132	992,872

The trade between Hull and Savannah in 1906 was fairly good, and one of the principal features was the high price of such products as resin, turpentine, timber, etc. A few cargoes of naval stores find their way from Savannah to Hull each year. Although the trade between Hull and New Orleans is not of so regular a character as was the case a few years ago, it is nevertheless one of some considerable importance in cotton, cotton seed, and cotton cake. Galveston also sends cotton, wheat, and corn here.

LEEDS.

By Consul Lewis Dexter.

The past year was one of great activity in this district and the output of the various industries was very large. A conspicuous feature in the manufacturing industries was the high prices which ruled on raw materials. The manufacturers of woolens and worsteds were fully employed and had an active trade, subject to certain restrictions. In the ready-made clothing business, in which Leeds maintains its preeminence, a better year has been experienced. There was difficulty in getting skilled hands. The very cheap lines favored in 1906 were not so much sought after, consumers showing a disposition to pay more for their garments.

The year will long be remembered in the iron and steel industries. It commenced with great promise which was fulfilled for a few

months; then came a slackening, and depression ruled until the close. The manufacturers of textile machinery were very busy with orders ahead. The continued high price of hides and skins that ruled during the year seriously interfered with the profits of the tannery industry, but boot and shoe manufacturers report a profitable year, and the trade was more remunerative than for several years past.

DECREASE IN EXPORTS TO THE UNITED STATES.

The following comparative table shows a decrease in exports to the United States during 1907 of $75,106 as compared with 1906, but an increase of $78,701 over 1905:

Articles.	1905.	1906.	1907.
Cocoa	$10,314	$8,558	$11,155
Gas burners	30,107	45,465	36,630
Hair	127,744	122,536	113,695
Hides and skins, etc	123,042	32,956	45,148
Iron	311,531	309,233	255,952
Leather	12,523	14,959	13,359
Machinery	242,737	374,299	342,311
Noils	42,579	132,318	94,581
Oil and grease	20,640	26,446	44,852
Steel rods	14,020	21,389	17,456
Wool	16,164	15,709	1,744
Woolens	26,517	34,439	28,928
Worsteds	18,835	14,389	7,383
Yarn, etc	24,858	31,340	59,505
All other articles	56,891	47,273	84,504
Total	1,078,502	1,232,309	1,157,203

LIVERPOOL.

By Consul John L. Griffiths.

The trade conditions which prevailed throughout the United Kingdom in 1907 reflected in a general way the local conditions in Liverpool. It is recognized that the volume of a country's imports and exports can not be accepted as an infallible criterion of its prosperity. If it could be 1907 would pass into history as England's most prosperous commercial year, since the imports for the twelve months ending with last December were $185,003,700 in excess of the imports for the same period in 1906, and there was a gain of $278,647,300 in exports. The reason that the total of the imports and exports may be misleading as a true exponent of trade conditions is that an accurate conclusion can not be reached unless the cost price and the selling price of the commodities are known so as to ascertain the margin of profit. The promise of the first half of 1907 was not fulfilled in the last six months of the year. The advance in the cost of raw materials, the high price of coal, and the financial stringency in the United States were prominent factors in causing this result. The percentage of unemployed from January to June, inclusive, was smaller each month in 1907 than in 1906, while from July to November, inclusive, the figures were reversed, and each month there were more unemployed than in the corresponding month of 1906, the greatest difference being in September and November.

FEWER BUSINESS FAILURES—SHIPBUILDING AND NAVIGATION.

An encouraging feature of the trade for 1907 was the marked decrease in England and Wales in the number of bankruptcies, which were 4,090, being 356 less than in 1906, and there were 144 fewer deeds of arrangement or composition with creditors. The bankruptcies and deeds of arrangement in Scotland and Ireland, however, exceeded by 86 those of 1906. Comparing 1906 with 1905 the gain was much greater than in 1907, for in 1906 there were 604 fewer failures in the United Kingdom than in 1905, and there was a falling off in Ireland and Scotland as well as in England and Wales. The reduction in the price of raw materials which has taken place may stimulate production, and if in addition the price of coal is lowered and the stringency in the money market becomes less acute there may be a substantial improvement in trade.

The year 1907 will be memorable on the Mersey by reason of the sailing from this port of the two new ships of the Cunard Line, the Lusitania and the Mauretania, each of about 30,000 tons burden. The transfer of certain of the White Star boats to Southampton has been compensated for in great measure by the addition made to the tonnage of other companies operating from Liverpool.

There is a very extensive trade between Liverpool and West Africa which is constantly expanding, and which requires additional tonnage each year. The trade between England and South America has grown so rapidly that the Pacific Steam Navigation Company in the last ten years has added fifteen vessels to its fleet. It is hoped that 1908 will see the completion of what is claimed will be the most scientific shipbuilding yard in the world at Birkenhead, opposite Liverpool, and that further substantial progress will be made in the building of the training wall in the Mersey channel.

The Liverpool docks have been thoroughly modernized in the last few years, until they are of sufficient dimensions to accommodate the great vessels which ply between here and American ports. The facilities of the landing stage have been extended so that two of the largest steamers can now lie alongside at the same time. The shipbuilding trade had a fairly prosperous year, notwithstanding low freights and dear coal, and the amount of tonnage built eclipsed that of any previous year, while the quantity of cargo handled has never before been reached.

PROGRESS OF THE PORT.

At the forty-ninth annual meeting of the Liverpool Steamship Owners' Association, held in this city, a review was given of the progress of the port during the last half century. When the association was formed fifty years ago the premier ship of the Mersey was only 370 feet in length and about 3,500 tons burden, and under the most favorable conditions it crossed the Atlantic at a little less than 14 knots an hour. Since the first meeting of the association was held in 1857 the foreign trade of the port of Liverpool has more than trebled, and the over-sea passenger trade has been the most important in the United Kingdom. When the initial meeting of the association was

held the tonnage represented by its members—and the membership included all the principal steamship lines at that time—was just a little more than the combined tonnage of two vessels now sailing between Liverpool and New York. While fifty years ago sailing ships represented 84 per cent and steamships 16 per cent of the tonnage from this port, the percentage of sailing ships has now fallen to 2 per cent, while that of steamships has increased to 98 per cent. In the last twenty-five years of the 7,000,000 passengers who have sailed to and from this port to all parts of the world, only 45 have lost their lives, being less than an average of 2 each year.

The port of Liverpool is accessible at all stages of the tide by vessels of 27 feet draft, and steps are being taken by which a depth of 35 feet at low water spring tides on the bar and in the channels leading thereto will be obtained. The channels have been greatly improved by an elaborate system of lighting. The docks extend over a frontage of 7 or 8 miles on both sides of the Mersey and cover a space of 583 acres. Collectively, they provide a lineal quay space of over 35 miles, and are arranged to accommodate every kind of craft from canal barges to the Atlantic liners. All the docks, wet and dry, are owned by the Mersey Docks and Harbor Board with the exception of three owned by the Tranmere Bay Development Company (Limited), on the Cheshire side of the river. A torpedo-boat destroyer for the British Government was launched from this company's works last December which is expected to attain a speed of 36 knots per hour, and will therefore, it is claimed, be the speediest boat in the world. Although this torpedo destroyer is only one-twentieth the size of the Cunard steamer Mauretania, it possesses one-half the horsepower of that vessel, and 7,000 more horsepower than the latest British turbine battle ship Dreadnought.

BUILDING ACTIVITY AND COST OF LIVING.

Building activity was greater in 1907 than in recent years, and several large modern office buildings are being erected. Apart from warehouses there is not an office building in Liverpool more than eight stories in height. A great number of small houses were built in the city in 1907, adapted to the needs of mechanics and artisans, with a weekly rental of from 85 cents per house of three or four rooms to $1.46 for a house of six or seven rooms. Although it is stated that there are 500,000 vacant dwelling houses in England, owing to the shifting of population from the country to the cities and the development of new suburbs, there has been a constantly growing demand in Liverpool for modern small houses at low rental.

The cost of living, while it has varied greatly throughout the United Kingdom, was higher, especially in the item of clothing, in all parts of the country, including Liverpool, in 1907 than in the previous year. The increased cost has been appreciably lessened to the working population through the cooperative trade societies, of which there are 1,448 in England and Scotland, with a membership of 2,222,417. The share capital invested in these societies is $133,101,637. They did a business in 1906 aggregating $308,310,889, and the profit upon cost returned to the members in that year was nearly $48,665,000.

CONDITIONS IN THE COTTON INDUSTRY.

The past year was one of large profits in the cotton trade, the spinners especially having done well, and Liverpool, although it does not manufacture cotton, deals in it so extensively that the state of the cotton market is in a sense a barometer of the city's prosperity. When the shipping, cotton, and milling industries are dull business is quiet in this city, and when they are prosperous trade is active and employment general. Numerous inquiries were received during 1907 from American manufacturers who desired to be placed in touch with importers and merchants in this consular district, and as a result of the answers new markets have been found for considerable quantities of American goods. It should be constantly impressed upon the American manufacturer that to secure and retain English customers he must maintain a uniform standard of excellence and make prompt deliveries. The English buyer is conservative, changing slowly, and for that reason when his trade is secured it is a valuable asset, as it is apt to be a fairly permanent position. While the English manufacturers claim that America has captured a very large proportion of the Canadian trade because of the care taken to comply with and satisfy Canadian requirements, there is still considerable complaint in England of the delays in American shipments to this country.

IMPORTANCE AS A TRADE CENTER.

The nearness of Liverpool to the leading manufacturing centers of England has made it the gateway through which about 15,000,000 people receive their food and raw materials and distribute their manufactures.

The total imports into Liverpool during 1907 were valued at $780,611,843, against $713,923,580 in the previous year. The leading articles were as follows:

Articles.	1906.	1907.	Articles.	1906.	1907.
Animals, living:			Metals and ores—Contd.		
Cows, calves, etc	$22,743,500	$17,238,126	Tin, ore, block, etc	$7,871,311	$7,822,510
Horses	125,668	79,105	Oil: Petroleum, etc	3,933,144	3,618,156
Sheep and lambs	698,134	751,237	Oilseed cake	3,924,122	3,398,545
Breadstuffs:			Provisions:		
Barley	1,790,043	1,401,644	Meats and meat products—		
Flour, etc	4,381,558	4,439,143	Bacon	31,875,994	29,946,471
Maize	13,429,200	16,709,936	Beef	25,838,424	24,810,658
Oats	661,183	620,197	Hams	11,538,062	11,031,528
Oatmeal, etc	666,190	589,324	Lard	8,587,139	9,112,351
Wheat	40,907,818	45,154,682	Mutton, fresh	8,014,279	8,922,558
Caoutchouc and manufactures	41,592,803	44,071,394	Oleomargarine	904,588	1,411,485
Cotton, raw	207,131,998	259,076,335	Pork	1,695,036	1,538,315
Fish	7,330,156	4,022,571	Poultry and game	2,026,128	2,017,884
Fruits:			Tallow, etc	4,719,816	5,623,300
Apples	3,917,733	4,585,630	Dairy products—		
Bananas	1,980,281	1,872,790	Butter	3,058,323	972,634
Oranges	3,575,342	4,590,643	Cheese	8,185,290	7,651,686
Hides	5,303,551	5,703,577	Milk, condensed	812,896	611,476
Iron and steel manufactures:			Rosin	1,490,283	1,511,691
Hardware	388,829	287,732	Seeds:		
Implements and tools	280,476	307,966	Cotton	2,194,728	2,951,493
Machinery	4,023,588	3,936,439	Flax	1,375,954	1,642,780
Leather and manufactures	11,446,032	11,815,347	Other	1,737,599	2,303,651
Manures	2,517,509	3,022,311	Skins and furs	6,608,863	6,185,164
Metals and ores:			Sugar and molasses, etc	15,406,420	16,785,031
Copper, raw, etc	21,249,964	24,391,672	Tobacco	15,522,286	13,510,343
Lead	2,085,767	2,287,888	Vegetables, raw	2,951,362	3,470,375
Manganese	838,926	1,532,928	Wax, paraffin	1,387,391	1,575,214
			Wood and manufactures	18,398,999	19,451,566
			Wool	27,972,550	30,908,519

The value of the exports from Liverpool during 1907 was $807,085,584, against $731,671,029 in the previous year. Of these amounts the value of foreign and colonial produce was $111,656,796 and $101,246,647, respectively. The principal articles of export of domestic produce are shown in the following comparative statement:

Articles.	1906.	1907.	Articles.	1906.	1907.
Apparel	$4,021,116	$4,930,641	Iron and steel manufactures—Continued.		
Beer and ale	2,469,978	2,591,586	Manufactures, etc	$68,037,145	$76,747,182
Caoutchouc manufactures	1,478,151	1,683,191	Linen manufactures:		
Cars, carriages, etc:			Piece goods	14,523,641	14,415,089
Railway	11,716,099	14,900,031	Yarn	1,642,185	1,765,702
Other	2,231,032	2,919,652	Other	4,401,181	4,460,892
Chemicals, etc	16,701,828	18,541,346	Metals:		
China and earthenware	7,513,876	8,613,501	Brass and manufactures	1,975,323	2,221,085
Cotton manufactures:			Copper	4,606,731	8,468,698
Piece goods	242,593,118	259,493,469	Tin	4,353,089	4,423,201
Yarn	17,599,911	18,090,090	Paper	1,847,450	2,215,212
Other	26,274,774	28,965,612	Silk manufactures	3,354,820	4,059,683
Glass	1,931,777	2,563,940	Skins and furs	2,966,930	3,208,659
Haberdashery, etc	3,939,142	4,275,318	Soap	4,796,626	5,400,506
Hats	1,593,575	1,990,413	Wool, and manufactures:		
Iron and steel manufactures:			Raw	5,062,839	6,603,574
Cutlery	2,008,083	2,117,570	Piece goods	38,966,704	41,182,430
Hardware	4,965,670	5,343,291	Yarn	1,751,897	1,964,908
Implements and tools	4,919,696	5,133,072	Other	4,209,381	5,107,628
Machinery, etc	42,275,753	51,356,929			

INCREASE IN RECEIPTS OF BREADSTUFFS.

The imports of flour, maize, and wheat into Liverpool, and the countries of origin, for the past two years are shown in the following statement:

Countries.	Flour.		Maize.		Wheat.	
	1906.	1907.	1906.	1907.	1906.	1907.
America:	*Sacks.*	*Sacks.*	*Quarters.*	*Quarters.*	*Quarters.*	*Quarters.*
Atlantic ports	594,229	619,278	1,754,634	1,739,547	[a] 2,806,209	[a] 2,345,197
Pacific ports	.....	.....	.....	.....	275,543	89,201
Australia	.....	.....	.....	.....	344,955	371,300
Austria-Hungary and Black Sea	54,375	81,859	81,430	323,985	[b] 751,204	[b] 632,541
East Indies	.....	.....	.....	.....	652,340	784,736
South America	17,088	6,182	727,084	818,147	.....	.....
Other countries	73,055	62,783	35,091	323,985	[c] 729,459	[c] 1,380,111

[a] Includes Canada.
[b] Exclusive of Austria-Hungary, but includes Mediterranean country.
[c] Includes Argentina.

It is impossible to separate the quantities of American and Canadian wheat, as so much of the latter is shipped during the winter months from American ports. The importations from the two countries are therefore necessarily tabulated together. The total imports of wheat into Liverpool in 1907 showed a slight increase as compared with 1906, but it is well known to the grain trade that shipments of Canadian grain were smaller in 1907 than in 1906, and if the totals could be analyzed it would appear that a substantial gain had been made for American wheat. The increase is accounted for by the fact that the United States have larger exportable surpluses, and that the Russian and Argentina crops were smaller.

The total import of flour into Liverpool prior to 1904 were over 1,000,000 sacks, but since that time the annual imports have not

been over 773,000 sacks. This is explained by the fact that Liverpool has become a very large milling center, only surpassed, it is now claimed, by Minneapolis and Budapest. The development of the milling industry in the Liverpool district is continuing, and it is now asserted that when the complete statistics for 1907 have been prepared it will rank as the second milling center in the world. A new building is being erected by a milling firm at Birkenhead, on the Cheshire side of the Mersey, which will have a capacity of 8,000 tons of grain, and another firm in the same city is doubling the capacity of its mills.

The imports of wheat into Liverpool in the past four years have shown very slight fluctuations. In 1903, 5,478,182 quarters were imported, and in 1907, 5,603,906 quarters, but when the total imports for the United Kingdom are compared for the same periods they show that the quantity of wheat imported increased from 88,131,030 hundredweights in 1903 to 92,967,200 hundredweights in 1906, and the imports of wheat meal and flour declined, the figures being, for 1903, 17,962,998 hundredweights, and for 1906, 11,837,800 hundredweights, a decrease of 6,125,198 hundredweights. This indicates that the milling industry is developing in England, for as the flour imports decreased the grain imports increased in greater proportion. That the wheat importations into Liverpool have not increased more since 1903 is accounted for by the large quantity of wheat carried up the ship canal to Manchester during that period which formerly went by rail from Liverpool. It is the opinion of the leading representatives of the grain trade in Liverpool that if a satisfactory system of grading and certifying American grain was adopted a much greater quantity would be imported.

LIVE ANIMALS AND PROVISIONS—IMPORTS OF APPLES.

The number of cattle received at Birkenhead in 1907 was 214,061 against 270,853 in 1906. Of these the United States furnished 189,851 and 239,667 for the two respective years, Canada supplying the remainder. The receipts of sheep in 1907 were 97,688 and in 1906, 94,948, of which the shipments from the United States were 78,026 and 85,439, respectively. Canada furnished 17,130 sheep in 1907 against 4,630 in 1906. The remainder during both years came from Iceland.

The receipts of salted pork in 1907 amounted to 41,808 packages against 39,757 in 1906; beef, 31,373 packages against 33,606; beef, dried and jerked, 107 tons against 51; fresh meat, 119,222 tons against 125,014; and mutton, and mutton and beef, 82,604 tons against 81,792. The receipts of tallow rose from 96,692 tons in 1906 to 105,007 tons in 1907. Of the amount of tallow received in 1907, the United States supplied 24,180 tons, including grease; Argentina, 16,059; Australasia, 52,033; and other countries, 12,735 tons.

The importation of apples into Liverpool during the season 1906–7 (from July, 1906, to May, 1907) was 1,084,810 barrels and 87,067 boxes, compared with 943,652 barrels and 127,199 boxes for 1905–6. The total importation of apples into the United Kingdom from the United States and Canada during the season (from July, 1906, to May, 1907) was 2,307,089 barrels and 252,011 boxes.

SALES OF AMERICAN COTTON.

Out of the total importations of cotton from all countries into the United Kingdom during the season 1906–7 of 4,764,471 bales 3,783,911 bales arrived at Liverpool. The following table shows the quantity and countries of origin of cotton imported and the ports of landing in the United Kingdom:

Ports.	America.	Brazil.	Egypt.	Peru, etc.	East Indies.	Total.
	Bales.	*Bales.*	*Bales.*	*Bales.*	*Bales.*	*Bales.*
Liverpool	3,019,502	194,353	340,762	109,891	119,403	3,783,911
Manchester	435,951	.....	230,664	.....	.....	666,615
Hull	16,889	.....	7,175	.....	8,985	33,049
Belfast	101,504	.....	.....	.....	.....	101,504
London	27,767	.....	.....	13,113	138,512	179,392
Total	3,601,613	194,353	578,601	123,004	266,900	4,764,471

The cotton imports into Great Britain compared with 1905–6 show an increase of 488,766 bales of American, 70,483 Egyptian, 30,031 Peruvian, etc., 82,759 East Indian, and a decrease of 38,140 Brazilian. The total increase was 633,899 bales.

SHIPMENTS TO THE UNITED STATES AND POSSESSIONS.

The value of the exports declared from Liverpool to the United States in 1907 amounted to $32,389,948, an increase of $1,340,731 over 1906, and $10,192,992 over 1905. The largest increases were shown in raw cotton, copper, rice flour, tin plates, etc., fish and game, sulphate of ammonia, glycerin, minerals, fertilizers, oils, hemp and flax, iron manufactures, and fruit and vegetables. The greatest decreases occurred in the following articles: Rubber, ale, beer, and mineral waters, hides and skins, seeds, paper-making materials, mahogany, and steel and manufactures.

The principal articles of export to the United States and possessions during the past three years were:

Articles.	1905.	1906.	1907.
UNITED STATES.			
Ale, beer, and mineral waters	$109,589	$325,071	$191,103
Animals	129,837	103,997	93,145
Bags and bagging	669,100	953,182	987,408
Books and stationery	17,305	23,111	53,678
Bricks and tiles	37,400	42,655	48,773
Copper	1,600,742	4,110,620	6,454,721
Cotton, and manufactures:			
Raw	363,271	1,337,161	1,547,346
Manufactures	91,492	146,844	124,696
Chemicals:			
Ammonia—			
Muriate	.....	112,450	144,350
Sulphate	139,527	198,232	516,705
Bleaching powder	67,457	125,438	110,236
Carbolic acid	31,661	52,658	64,617
All other	186,413	380,437	267,138
Drugs	142,979	171,414	157,767
Dye and dyestuffs	11,842	17,926	37,262
Fish and game	632,764	481,489	646,007
Fruit and vegetables	225,183	277,875	419,424
Furniture	26,186	28,046	21,388
Glue and glue stock	152,244	144,302	152,764
Glycerin	.....	.....	245,724
Grease and soap	57,082	78,619	131,222
Hemp and flax	10,032	61,092	192,431
Hides and skins	868,862	1,070,610	616,574
Iron and manufactures	1,524,777	4,100,375	4,206,517

Articles.	1905.	1906.	1907.
UNITED STATES—continued.			
Leather	$18,595	$32,747	$39,759
Linen and lace goods	138,019	184,236	182,708
Machinery	154,565	97,518	89,880
Manures	120,243	142,119	364,339
Metals not elsewhere specified	208,094	274,300	135,921
Minerals	173,815	71,883	206,763
Nuts	39,565	111,404	132,900
Oils	1,121,546	1,322,059	1,509,249
Paints and varnish	17,125	29,598	14,249
Paper-making material	377,580	613,544	507,251
Pitch and tar	140,874	102,365	62,024
Rice and rice flour	238,090	178,771	825,300
Rubber	6,208,879	6,743,980	4,534,844
Salt	277,445	310,011	314,863
Sausage casings	10,171	19,213	44,627
Seeds	269,512	382,838	257,447
Steel and manufactures	168,342	459,203	298,627
Sugar	3,952	69,304	55,527
Tanning materials	46,507	28,826	17,465
Tin, tin plates, and terne plates	1,108,054	1,812,649	2,250,485
Tobacco	10,497	26,908	46,626
Waste, wool, silk, and thread	104,493	39,205	19,909
Wax	180,638	166,081	136,330
Wool, hair, and noils	2,568,232	1,510,796	1,516,523
Woods	948,874	1,448,670	1,069,962
All other articles	447,504	527,385	325,374
Total	22,196,956	31,049,217	32,389,948
PHILIPPINE ISLANDS.			
Ale and beer	18,152	26,634	33,501
Books and stationery	3,700	9,538	10,687
Bricks and tiles	375	263	8,306
Cotton manufactures	549,505	989,492	1,274,500
Chemicals	12,487	31,815	19,767
Earthen and glass ware	5,463	10,936	18,561
Grease and soap	6,326	8,881	16,171
Hardware	15,762	31,593	28,503
Iron and manufactures	143,771	373,946	184,155
Leather	3,952	6,005	5,480
Linen and lace goods	18,332	18,838	10,283
Machinery	128,777	737,136	127,098
Metals not elsewhere specified	30,236	46,257	35,112
Oils	2,487	18,785	10,497
Paints and varnish	9,100	39,462	51,507
Provisions	7,494	42,441	59,965
Railway material and stores	.....	.....	689,097
Rubber	3,470	11,407	13,641
Steel manufactures	9,519	42,558	111,866
Woolen manufactures	1,752	3,616	6,886
All other articles	56,952	102,300	111,730
Total	1,027,612	2,551,903	2,827,313
PORTO RICO.			
Bags and bagging	6,609	5,314	2,297
Cotton manufactures	457	467	1,645
Hardware	4,122	6,356	7,061
Iron and steel manufactures	594	3,630	1,737
Linen and lace articles	1,655	1,494	1,075
Machinery	5,489	399	8,059
Provisions	.....	97	3,708
Steel and manufactures	5,003	2,375	6,760
All other articles	1,070	2,208	4,682
Total	24,999	22,340	37,024
HAWAIIAN ISLANDS.			
Bricks and tiles	.....	.....	978
Cotton manufactures	4,832	8,181	12,049
Hardware	2,954	1,844	6,331
Iron and manufactures	.....	.....	3,533
Linen and lace goods	1,898	6,842	6,171
Manures	.....	.....	83,446
Steel and manufactures	.....	545	1,596
Woolen goods	3,226	4,998	3,859
All other articles	2,867	5,358	2,200
Total	15,777	27,768	120,163
Grand total	23,265,344	33,651,228	35,374,448

LONDON.

By Consul-General Robert J. Wynne.

The declared value of exports, exclusive of gold coin, from the London consular district to the United States during 1907 was $89,074,433, being a decrease of $5,637,336 from 1906. The articles showing the greatest increases were cotton manufactures, drugs and chemicals, feathers, gums, hemp, flax, etc., leather, machinery, oils, seeds, and plants. The greatest decreases were shown in precious stones, raw rubber, straw braid, etc., tin, and works of art.

The principal articles and their value exported from the London district to the United States during the past two years were as follows:

Articles.	1906.	1907.	Articles.	1906.	1907.
Animals	$455,380	$445,756	Metals:		
Antimony	488,676	408,725	Iron and steel manufactures	$524,199	$699,264
Bags and bagging	121,579	77,785	Other, not elsewhere specified	2,017,753	2,060,305
Beer, ale, and stout	702,994	835,698	Mica	272,918	279,938
Blacking	26,692	7,927	Musical instruments	22,985	25,719
Books	2,299,822	2,505,102	Mustard	393,017	393,518
Bristles	784,659	750,021	Oils	1,452,918	1,761,483
Brushes, tooth, etc	129,090	147,517	Ores, iron, etc	84,338	51,081
Burlaps	84,105	60,463	Paper and paper hangings	342,275	298,285
Carpets	253,833	187,267	Paper stock	935,053	885,413
Cement	880,988	940,202	Perfumery	82,398	87,318
Chalk	91,272	82,163	Pitch and tar	64,757	44,223
China clay	3,910	5,240	Plumbago	5,313	11,316
Clocks and watches	99,288	100,886	Precious stones	14,757,922	8,387,141
Cocoa and chocolate	322,890	413,680	Preserves, pickles, etc	826,828	916,968
Coffee	168,650	89,366	Provisions	561,331	586,625
Colors, paints, etc	402,506	281,402	Rice	636,946	492,321
Confectionery	26,686	70,151	Rope	56,013	13,218
Copper	759,264	908,651	Rubber, and manufactures:		
Cotton	17,406	.....	Raw	1,305,086	924,305
Cotton manufactures	373,041	601,748	Clothing, etc	448,837	508,002
Cutlery	6,545	12,527	Saddlery	56,673	136,273
Cycles	3,626	8,966	Scientific and optical instruments	176,326	172,368
Drugs and chemicals:			Seeds, plants, etc	893,770	1,128,502
Acids	182,935	309,805	Shellac	357,367	297,824
Bark	59,553	5,856	Shells	1,051,956	950,972
Bismuth	171,223	183,261	Silks	524,625	438,804
Coal-tar products	309,255	555,368	Soap	254,621	246,636
Opium	326,215	821,666	Skins, furs, etc	11,500,480	11,541,232
Oxides	17,738	21,080	Spices	131,429	254,814
Quinine	18,728	49,868	Sponges	66,514	70,295
Senna	38,630	57,778	Stationery	988,497	983,835
Sodas	23,800	61,121	Sticks and canes	52,777	46,713
Other	1,494,478	1,991,800	Straw braid, etc	685,383	374,441
Electrical apparatus and supplies	150,510	196,480	Straw manufactures	21,873	31,499
Emery	66,554	58,140	Stuff goods	128,654	46,142
Feathers	2,004,113	2,517,098	Stone, marble, etc	32,790	37,490
Floor cloth	892,656	846,420	Tea	2,359,286	2,449,970
Flowers, artificial	1,042	2,407	Tin	19,397,874	17,559,805
Fruits, nuts, etc	395,489	251,908	Tobacco and cigarettes	281,172	159,208
Fuller's earth	97,279	100,892	Wearing apparel	180,636	194,845
Furniture	834,423	820,905	Wines and spirits	1,184,170	1,193,565
Glass, chinaware, etc	105,264	217,058	Woods	302,496	345,590
Gloves, hosiery, etc	780,597	816,262	Wool, and goat hair, etc	4,228,659	4,025,677
Glue and gelatin	46,150	134,360	Woolen and worsted goods	2,036,040	1,745,217
Grease	328,951	332,796	Works of art	1,850,532	1,250,154
Gums	379,599	814,820	Yarn	10,720	6,127
Hair, cow, etc	463,935	465,242	All other articles	687,459	456,335
Hardware	12,401	25,534			
Hats and caps	215,451	213,349	Total	94,711,769	89,074,433
Hemp, flax, etc	822,181	1,089,111	Gold coin	.....	150,594
Indigo	90,373	134,512			
Ivory	716,165	681,141	Grand total	94,711,769	89,225,027
Laces	36,010	38,718			
Leather	563,499	911,679			
Linens	64,360	52,662			
Linseed	68,973	47,360			
Machinery	522,926	735,957			

MANCHESTER.

By Consul Church Howe.

Although it can not be said that the year 1907 was as prosperous for the textile industries as 1906, the prosperity in the main was well sustained. Exports of all classes of goods showed an increase, although during the last quarter of the year there was a decided decrease.

What might have been a very disastrous strike in the fine spinning industry was averted, and negotiations between the master spinners and the operatives resulted in a satisfactory decision being reached.

One singular feature of 1907 was the activity and prosperity of the spinners as related to the diminished quantities of work done by the manufacturers. In many cases sheds in different districts had their looms stopped for longer or shorter periods.

During 1906 spinners were hardly able to meet the demands made upon them for yarn. Although the demand reached normal limits in this district, the spinners have not, however, slackened appreciably. This is undoubtedly due to the very large increase in the exports of cotton yarn. In 1905 the exports of all sorts of yarn was 205,100,500 pounds; 1906, 207,378,700 pounds, and 1907, 241,115,800 pounds, an increase of 33,000,000 pounds. This increase accounts for the prosperity of the mills here, even though there is an increased spindlage and a decreased home demand.

From the compilation of statistics of a hundred companies' profits, it is interesting to report that a share capital of $18,116,909 earned, after allowing for wear and tear of plant, $6,429,411 net profits, or nearly 35.5 per cent. This was an average profit per company of $64,291, against $31,900 for 1906, an increase of over 18 per cent. The dividends and bonuses declared showed an improvement, the average being 15⅞ per cent, against 9⅜ per cent paid last year. The total capital employed includes $11,569,938 borrowed, either by way of mortgages, debentures, or open short-date loans.

RECEIPTS OF AMERICAN COTTON.

During 1907 there was a large crop of American cotton available, the exact amount being 13,290,000 bales. The following table shows the number of bales of American cotton received at Manchester during the past twelve seasons, year ending August 31:

Year.	Bales.	Year.	Bales.	Year.	Bales
1895	32,059	1900	415,000	1905	551,897
1896	121,336	1901	442,695	1906	340,259
1897	211,632	1902	420,865	1907	458,123
1898	245,853	1903	478,425		
1899	311,003	1904	365,323		

An important deputation of Lancashire spinners visited the United States in September, 1907, to attend a conference held in Atlanta, Ga. This conference was fully reported upon, and undoubtedly the results will prove beneficial to all those interested, including growers, mer-

chants, and spinners. Members of the deputation from Manchester and district speak highly of the magnificent manner in which they were received and entertained during the time they were in the United States.

CONDITION OF THE HAT INDUSTRY.

During the past year stoppages through disagreements between the employers and the work people seriously affected the output of the hatting trade, especially felt hats. Apart from these events, it was a good year for all branches of the trade with the exception of the straw-hat trade, which suffered because of a wet summer.

The felt-hat trade gained a great advantage from the slump in straws, and during the summer months the manufacturers had as much work as they could execute. The home felt-hat trade does not offer much encouragement to manufacturers. The demand is largely for a cheap hat, price from 85 to 95 cents, and there is very little profit to the manufacturer on these.

Caps are being worn more, not only by the working classes, but by people in better positions, and consequently there is a less demand for the felt hat. The shipping trade in felts has grown during the year. The exports to Canada and South America show an increase, and the continental trade has been maintained.

The Australian tariff which was recently put on imported goods is affecting the cheaper quality of hats, and large orders placed with manufacturers here have been canceled.

A GREAT BUTTER MARKET.

Manchester continues to be, for the north of England, the chief seat of the imported butter trade, several of the largest produce houses in the Kingdom having their headquarters here. The continuous and rapid growth of population in southeast Lancashire and adjoining districts calls for ever-increasing supplies.

The past year showed a decline in butter imports, but the deficiency was made up by an increased output from British dairy farms, the cool, moist, and rainy season having favored home pastures.

For the past year the aggregate imports of butter from all countries reached 4,216,435 hundredweight, as against 4,337,258 hundredweight for the previous year, a decrease of 120,823 hundredweight.

The variations in production and export of the countries on which England depends for her butter supplies is well illustrated by the case of the United States, which exported 157,312 hundredweight in 1906 and in 1907 only 1,063 hundredweight. The exports from Canada also show a decline from 190,968 hundredweight in 1906 to 34,753 hundredweight during the past year.

Taking the year through, except for a short period in the months of October and November, butter was on the average cheaper during 1907 than in any previous year.

There was a decline in the importation of margarine, due, no doubt, in part to the industrial prosperity of this district and the better wages paid to the work people, which places the genuine article more within their reach.

BACON RECEIPTS—TRAFFIC OF THE SHIP CANAL.

The year 1907, like the two years that preceded it, was a record of strenuous work and small profits. The past three years were good ones for the producers, and the hog growers in all the bacon-making centers found a ready market. During the greater part of the year the weekly shipments from the United States averaged 18,000 boxes, while during the last month of the year the total only reached about 9,000 boxes weekly. This falling away is accounted for owing to the glut in Irish and Danish products.

American meats, which are so large in bulk in the total bacon imports, have much improved in quality, though at present they are very light in average, and some curers are sending bacon that is very thin and undried.

More care has been shown in the packing of American meats. Many curers now use parchment lining for the boxes, and the borax on the meat is a diminishing quantity; in some brands it has practically disappeared. The less borax used the better for the sale of American produce.

The year 1907 was the most successful the port of Manchester has experienced since the opening of the Manchester ship canal, January 1, 1894. The total quantity of traffic conveyed over the canal was 5,210,759 tons and the revenue $2,606,420, against 4,700,924 tons and $2,427,590 in revenue in 1906.

With a depth of 28 feet along its 36-mile course, the canal can take large ocean-going vessels, and regular lines are now operating to most of the principal oversea, continental, and coastwise ports. The steamers trading from the United States, Canada, Australia, New Zealand, River Plata, Persian Gulf, India, etc., bring in regular supplies of cotton, wool, timber, grain, provisions, manufactured iron, metal, fruit, wood pulp, iron ore, and nearly every variety of foreign and colonial produce.

STEAMSHIP SERVICE TO THE UNITED STATES.

Dealing specifically with the direct trade with the United States and Manchester, regular lines of first-class cargo-carrying steamers are operating from the various United States ports.

Manchester is essentially a cargo port, and neither the steamship companies nor the port authorities pretend to cater for passenger trade. Twin-screw steamers with 10,500 tons dead-weight capacity are now regularly loading and discharging at Manchester. The principal steamship lines are from Boston, Philadelphia, and New York, while during the cotton season steamers run very frequently from the principal cotton ports of the Gulf and Atlantic coast.

A fortnightly service is maintained from Boston to Manchester by steamers of the International Mercantile Marine Company. These steamers load and discharge at the terminals of the Boston and Albany Railroad, and have refrigerating capacity and facilities for carrying live cattle.

Like other steamers running from United States ports to Manchester, the Boston boats carry regular shipments of live cattle, averaging 540 head per boat. The total quantity carried during 1907 was

12,766 head, of which only 21 were lost in transit. The steamers also carried large quantities of cotton, glucose, iron, steel, flour, leather, and machinery.

A weekly service is run from New York. During the past year there were drafted into the New York-Manchester service new and up-to-date steamers of larger capacity, and possessing facilities for carrying live cattle.

The service to and from Philadelphia is maintained by liners belonging to a Manchester concern. The vessels engaged in this trade carry an average quantity of 400 head of live cattle, and secure heavy miscellaneous cargoes of American produce.

Within a radius of 10 miles from the Manchester docks there are 2,000,000 people, and it is estimated that the district to which Manchester is the natural distributing center has a population of about 10,000,000. This area teems with factories and works of all kinds, therefore it will be seen that the trade of the port by no means confines itself to local requirements; the port acts as a means of distribution of American produce to the thickly populated interior towns.

Besides possessing excellent facilities for inland distribution, Manchester occupies an important position in connection with the transshipment of goods to other British ports, and large quantities of United States produce are shipped to Manchester and transshipped there into coastal steamers for Bristol, Swansea, Plymouth, Southampton, Dublin, Belfast, etc.

GRAIN AND TIMBER TRADE.

One of the most important items in the trade of this port is grain. There was a very marked advance in the quantity imported in 1907 as compared with the preceding year, the totals being 406,170 tons and 344,457 tons, or an increase of 61,713 tons.

Full cargoes of grain are imported from India, Russia, the River Plata, and the Pacific coast, and a new feature in the latter is the employment of steamers instead of sailing vessels, to which the trade was formerly confined. Probably this is due to the fact that a large number of steamers were chartered to take coal outward to the Pacific coast for the use of the American fleet, and these boats have proceeded to San Francisco, Portland, etc., and loaded grain homeward. Manchester has had a fair share of this business.

Timber occupies a foremost place in the imports, the quantity landed last year being 430,106 tons. Wood pulp showed a total of 125,076 tons, and oil in casks and tank steamers 176,000 tons. Manufactured iron was imported to the extent of 142,993 tons; green fruit, 121,544 tons; farina starch (principally from the United States), 33,491 tons; glucose, 16,727 tons; foodstuffs, 63,778 tons, and sugar, 63,843 tons.

INDUSTRIAL IMPROVEMENTS.

The cheapening of the access to and from the sea has given a great impetus to the development of trade in Manchester and surrounding districts. A large area of land is available adjacent to the Manchester docks for the establishment of new works, and during the past eight

years no less than 49 separate industries, employing about 50,000 hands, have been established on this property.

These works include the British Westinghouse Company, an American bottle company, iron and steel works, flour mills, engineering works, sawmills, electric cables, and many other industries.

At other points along the canal factories have been erected or are in course of erection, the most recent development being the construction of a chemical works by a German company for the manufacture of aniline dyes. This firm have very large works in Germany, but, like many other foreign manufacturers, were obliged to establish works in England in order to protect their patents under the law recently enacted by the British Government.

The Smithfield markets are the center of distribution for an area of about 50 miles, comprising a population of 7,500,000. The fruit and vegetable market is the largest of its kind in the Kingdom, and supplies come from almost every country in the world, large quantities being also sent from the surrounding districts and from the south of England.

FISH DISTRIBUTING CENTER—BUILDING OF ABATTOIRS.

The fish market is, next to Billingsgate, London, the largest center of distribution in the Kingdom, supplies coming from almost all the fishing ports of Great Britain. Cold storage is provided under the retail fish market for the convenience of tenants and others, and although only opened in December, 1904, full advantage has been taken of the stores, with the result that extensions are constantly being made.

The city abattoir, situated in Water street, is one of the finest in England, and was opened in 1872. It comprises every convenience for the slaughtering of cattle, as well as a large carcass market. Although extended in 1894, further enlargements were made in 1902 to meet the increasing requirements of the trade. The market is probably the largest of its kind in the country.

The cold-air stores and chill rooms adjacent to the abattoir have a storage capacity equal to 120,000 carcasses of mutton, and were erected at a cost, including buildings and machinery, of about $389,320. They have materially assisted in the increase of the wholesale meat trade in the adjoining carcass market, besides having minimized the waste in the food supply of the city and neighborhood, and furnished the same to the people in a sound and wholesome condition.

The foreign animals wharf at Mode Wheel was erected for the landing and slaughter of foreign animals. The site, containing upward of 12 acres, together with buildings, cost nearly $486,650. Accommodation is provided for about 1,850 head of cattle and 1,500 sheep, with sufficient land for an extension up to 3,000 head of cattle and 6,000 sheep. Most careful consideration has been given to the requirements of the trade, and in all details the health, convenience, and comfort of those using the wharf have been studied.

SALES TO THE UNITED STATES.

The value of exports, exclusive of returned American goods, from Manchester to the United States during 1907 was $16,685,062, an

increase of $2,872,471 and $5,261,383, respectively, over the two previous years. The articles were:

Articles.	1905.	1906.	1907.
Asbestos	$56,888	$67,002	$96,886
Brattice cloth	12,556	8,453	10,344
Card clothing	77,309	60,691	79,976
Carpets and rugs	53,335	47,469	40,454
Chemicals	444,819	333,328	436,677
Colors and dyestuffs	273,805	207,528	243,553
Cotton, and manufactures:			
Raw—			
American	31,483	14,185	41,848
Egyptian	142,807	199,443	44,388
Piece goods	3,294,446	4,942,079	5,397,250
Velvets, etc	1,041,852	603,609	926,155
Worsteds, etc	280,386	101,167	114,936
Yarn and thread	1,474,424	2,167,115	3,537,223
Curtains, lace	8,516	8,166	13,486
Elastic web, etc	34,895	25,842	27,563
Furniture, etc	19,396	12,753	16,265
Furs, skins, etc	56,630	86,962	66,505
Glass, china, and earthenware	46,368	26,600	25,743
Gloves, kid	14,182	11,988	17,248
Hair	73,097	84,178	60,125
Handkerchiefs	44,493	49,224	171,201
Hats	2,574	5,629	31,153
Hides and cuttings	210,043	247,616	229,040
Hosiery	64,772	72,023	70,728
India-rubber sheets, etc	10,315	12,443	42,848
Iron, pig, etc	280,608	368,567	169,361
Laces, nets, etc	231,028	287,797	132,318
Leather, etc	135,040	165,548	164,256
Linens	101,069	100,352	735,478
Linoleum	188,331	181,051	314,270
Machinery	840,144	1,107,515	1,262,887
Needles, pins, etc	25,021	14,694	13,344
Paper, etc	146,531	204,188	244,844
Provisions	37,305	33,180	40,948
Quilts	79,692	105,849	121,501
Rags and paper stock	694,293	1,029,580	913,345
Roans, wet	153,157	110,280	29,108
Shawls	9,756	10,115	8,578
Silk and cotton piece goods	37,839	53,134	47,748
Silk yarn	104,760	110,116	186,293
Spar and gravel ore	200,518	170,664	94,597
Tape and braid	34,274	45,786	66,871
Towels	24,550	27,287	96,812
Waterproof garments, etc	16,484	20,710	19,837
Wire, steel	61,433	71,535	106,995
Wool, and manufactures:			
Raw	28,729	34,906	12,292
Felt, blankets, etc	77,626	88,545	81,786
Yarn (other than cotton and silk)	9,074	6,837	3,119
All other articles	137,026	68,862	85,029
Total	11,423,679	13,812,591	16,685,062
Returned American goods	32,156	61,494	90,905
Grand total	11,455,835	13,873,985	16,775,967

The exports from Manchester to the Philippine Islands during 1907 were valued at $2,190,269 and consisted of the following principal articles: Cotton piece goods worth $1,803,794; cotton yarn and thread, $87,218; pig iron, etc., $66,902; raw cotton (American), $40,921; handkerchiefs, $34,959; linens, $23,883; provisions, $21,144; chemicals, $17,322; cotton and worsted stuffs, $14,077; machinery, $13,883; steel wire, etc., $8,165; and glassware, etc., $6,358.

NEWCASTLE.

By Consul Horace W. Metcalf.

The declared value of the exports from the Newcastle consular district, including the agencies of Carlisle, West Hartlepool, and Sun-

derland, to the United States during the past three calendar years were: 1905, $3,253,623; 1906, $5,513,881; and 1907, $7,579,988.

The value of the exports declared at Newcastle to the United States during the years 1905, 1906, and 1907 was as follows:

Articles.	1905.	1906.	1907.
Antimony	$233,261	$588,939	$447,139
Binoxide of barium	128,290	158,923	153,699
Brass, old	34,306	29,531	25,754
Bricks (fire)	26,045	22,142	33,224
Carbonate of barytes	6,195	11,864	10,132
Chemicals	22,427	35,686	49,008
Coal and coke	131,026	101,970	115,138
Ferro-silicon	8,044	.....	3,504
Grindstones	33,000	26,814	21,208
Iron, pig	454,592	303,124	350,559
Lead:			
Antimonial	12,906	32,275	48,378
Soft	22,512	80,424	.....
Type metal	1,971	4,205	18,707
White and red	8,794	6,906	5,908
Paint, composition	15,227	14,614	26,230
Rope, old, and paper-making stock	20,206	71,192	44,239
Skins	328,429	479,290	466,766
Turbines, marine	.....	.....	11,193
Whiting and Paris white	.....	.....	15,553
Other articles	63,522	220,125	199,743
Total	1,550,753	2,188,024	2,046,082

EXPORTS FROM THE CONSULAR AGENCIES.

The value of declared exports from the consular agency of West Hartlepool to the United States in 1905 was $1,275,314; 1906, $2,222,203; and 1907, $4,847,062. The principal items in 1907 were: Ferro-manganese worth $1,346,902; pig iron, $2,769,713; spiegeleisen, $478,821; silico-spiegel, $29,224; ferro-silicon, $87,519; steel wire, $99,307; and diamond grit, $10,982. The exports declared from the agency of Sunderland to the United States in 1905 were valued at $1,131; in 1906, $33,299, and in 1907, $125,417. The leading articles in 1907 were as follows: Oil of creosote worth $116,095; leather, $5,497; glass, $1,116; and wire rope, $494. At the agency of Carlisle the exports declared for the United States in 1905, 1906, and 1907 amounted to $426,425, $1,070,355, and $561,427, respectively. The leading items in 1907 were: Pig iron valued at $323,875; cotton drillings, $81,724; cotton prints, $34,331; plain cottons, $71,135; linen thread, $20,629; and woolen goods, $8,993.

The imports into the consular district from the United States during 1907 consisted of the following leading items:

Articles.	Quantity.	Articles.	Quantity.
Breadstuffs:		Oil, mineral ..... tons	11,256
Flour and meal ..... tons	889	Peas ..... do	64
Maize ..... quarters	42,149	Phosphate ..... do	7,613
Oats ..... do	1,892	Provisions:	
Wheat ..... do	169,181	Bacon, etc ..... do	171
Copper ..... tons	12	Beef ..... do	41
Cotton goods, etc ..... do	13	Cheese ..... do	5
Fruit:		Lard ..... do	338
Apples and pears ..... do	25	Margarine ..... do	26
Dried ..... do	19	Meat, preserved ..... do	127
Glucose ..... do	329	Tallow, etc ..... do	28
Iron and steel manufactures:		Rosin ..... do	1,147
Forgings, etc ..... do	131	Wood, and manufactures:	
Machinery ..... do	8	Boards, deals, etc ..... loads	1,120
Lead, pig ..... do	1,241	Timber ..... do	22,025

NOTTINGHAM.

By Consul Frank W. Mahin.

Great activity of trade in this consular district in 1906 continued into 1907, undiminished till October. Then the effect of the financial crisis in the United States began to be felt and perceptibly checked the briskness so marked in all lines of commerce. Still, as a whole, the year was almost phenomenal. For nine months there was no cause for complaint, and in the other three months, though the rate of increase declined, the general volume of business exceeded that of the last quarter in 1906. Both home and foreign business was very satisfactory, in price as well as in volume. Wages advanced in many trades, and employment altogether was exceptionally good. This was particularly true of coal mining, a great industry in this county, supporting probably one-fifth of its population.

Dealers in cotton, silk, and other yarns had a very prosperous year in both the home and foreign trades. Makers of lace machinery pronounce 1907 the best year in their history, while producers of other machines were nearly as well satisfied. The bicycle industry was less busy in 1907 than for several preceding years, but automobiles were made and bought in unprecedented numbers and local builders report larger aggregate profits than in 1906, a very prosperous year.

Though domestic business, on the whole, was brisk and satisfactory, evidence of a financial scare appeared in a depressed Christmas trade at the end of a year of general prosperity. The increase and development of large stores made 1907 not so good a period for small storekeepers as for the public generally.

INCREASE IN LACE PRODUCTION.

The demand for laces was abnormally heavy in 1907 and ran far ahead of production. Many factories, especially those producing nets, were months and in some cases more than a year behind their orders. The declining demand in the year's last quarter, however, enabled manufacturers to make long strides in overtaking orders—even in some branches to catch up with them. Prices generally advanced during the year as much as 20 per cent on nets; less on other lace goods. But this was not all, if any, gain to the producers, as prices of yarns ruled very high. A peculiarity of the year's business was the decline in the demand for narrow Valenciennes and similar effects, which was very great at the beginning, but which in a few months had greatly diminished, being supplanted by large and continuous orders for wide insertions. The trade in Torchons and Clunys was heavy throughout the year. In January, 1908, trade in all varieties of laces was much depressed. Machines were receiving few new orders; some were not fully employed, and the busy ones were mainly engaged on arrearages. Some firms are hopeful of a change, but others are disheartened and gloomy over the future outlook.

The prosperity of the lace trade was indicated by the absence of failures during last year. No legitimate dealer was embarrassed at any time except toward the end of the year, when money was hard to get at any rate of interest.

Several new lace factories were built during the year and others enlarged or equipped with improved machinery. The tendency continues, as for several years past, to put new plants in the outlying villages.

SATISFACTORY HOSIERY TRADE.

The hosiery trade, both at home and with other countries, was satisfactory throughout 1907. It experienced no boom, like lace, but advanced over several recent years. The high prices of raw material, however, left the manufacturer without a proportionate increase of profit. Indeed, the spinners alone were able to get the full benefit from the great demand for textiles. Their profits were probably the greatest of any year on record. They could afford to be independent and increase their prices with the advance in raw materials.

The total exports of hosiery in 1907 advanced about 12 per cent over 1906. Trade with the United States slightly declined; increased in socks and stockings, but decreased still more in underwear. A significant feature of the general export trade is the stationary condition of cotton hosiery and the upward tendency of wool and mixed. This is attributed to the severe competition of Saxony and other foreign hosiery centers, which prevents expansion of the British cotton-hose industry.

In 1907 black cashmere hose were in greatest demand; tans declined. Fancy shades—browns, purples, and greens—were in active request. The demand for men's striped hose was unusually large, and manufacturers were fully employed and have orders for months ahead. Lace-fronted and fancy embroidered hose were in high favor during the spring and summer.

SALES TO THE UNITED STATES.

Notwithstanding a slump in December, the year 1907 marked a new record in the exports of Nottingham products to the United States. The number of invoices consulated was unprecedented. In 1882 the total declared value of the exports was greater than in 1907, but that was due to the advance in duties by the United States tariff law of 1883, which was clearly foreshadowed in the preceding year and caused an extraordinary demand for Nottingham goods, especially laces, to escape the higher duties. This fact was proved by the decline in 1883 of 20 per cent in invoices and 25 per cent in the total declared value thereof, and of laces alone 40 per cent. The exports in 1907 to the United States were the response to a normal, current demand, unaffected by ulterior considerations, and therefore established a new record.

The following table shows the comparative values of exports to the United States declared at this consulate during the past three years:

Articles.	1905.	1906.	1907.
Braids	$7,790	$6,526	$4,325
Cases, etc	116,372	133,865	154,020
Cement	16,370	11,412	17,814
Cotton damasks	5,682	.....	5,535
Cotton piece goods	74,921	5,976	136,302
Cotton yarn	111,991	105,292	173,121
Frillings	36,965	35,030	51,561
Gloves	2,670	38,293	27,612
Glue	19,964	18,173	26,028
Handkerchiefs	27,099	1,667	11,949
Hosiery	93,261	98,159	108,808
Lace	4,284,583	5,662,003	6,728,465
Leather	43,766	68,828	83,716

Articles.	1905.	1906.	1907.
Linen piece goods	$203,135	$2,648	$91,945
Machinery	132,896	135,103	167,911
Muslin piece goods	21,626	20,884	30,330
Skins, sheep	96,459	105,086	141,615
Silk yarn	99,222	103,387	146,762
Sod oil	27,504	22,638	22,542
Underwear	116,949	125,569	112,440
Veilings	10,314	10,782	21,510
All other articles	69,847	48,881	43,605
Total	5,619,386	6,760,202	8,307,916

EFFECTS OF THE FINANCIAL CRISIS ON TRADE.

The effect of the financial crisis in the United States was felt on the Nottingham market in November by the cancellation or postponement of orders, but not at this consulate till December, when the number of invoices decreased 20 per cent in comparison with the usual volume in that month, though the total declared value declined only 3 per cent. The decrease in both particulars was still greater in January, 1908, but exporters say that some of the orders deferred or canceled are being renewed.

The fluctuation in the exports of cotton and linen piece goods in the past three years was due to the fact that firms having their offices in Nottingham and shipping such goods from other British districts consulated the invoices here in 1905, but in those other districts in 1906; and again consulated the invoices at Nottingham in 1907, being permitted to do so by a change in the consular regulations. The increased sales of cotton yarn and laces were caused by the active demand in the United States. The export of lace-curtain machinery declined, but this was more than offset by a large demand for warp and levers machines, indicating that while the American lace-curtain manufacturers were sufficiently equipped there was a great expansion in the making of other lace goods in the United States.

The exports of Nottingham products to other countries in 1907 were also uncommonly large. The total value of the lace exports, including those to the United States, was roundly $25,000,000 in 1907, $22,000,000 in 1906, and $19,000,000 in 1905. The United States took more than a quarter of the 1907 total, about a quarter of the 1906 total, and less than a quarter of the 1905 total, thus increasing its demand in a greater ratio than the rest of the world. There was a general increase in the foreign sales of other local products.

INCREASE IN IMPORTS.

Statistics of imports are so compiled that they can not be given separately for this district, but the increase was no doubt as great as that in the whole country, which was about 7 per cent in 1907 compared with 1906. Quantities were about the same in both years, the increase being in value, due to the higher prices for foodstuffs. In December, however, imports generally decreased in comparison with 1906.

Imports of wheat increased in 1907, but flour declined. The milling industry has developed remarkably in England during the last five years, and the largest bakeries in this section, which formerly

consumed great quantities of American flour, now use very little. Corn imports increased in 1907; other grains decreased.

Live stock imports decreased in 1907. Sheep increased slightly, but this was more than offset by the decrease of cattle. Imports of refrigerated beef and mutton increased in value and quantity last year, Argentina heading the list for beef and Australia for mutton. A new sterilizing process has much improved this class of meat in the past year, and the steady expansion of the trade is causing much anxiety to home production. Fresh pork increased in import last year; hams and bacon were about stationary. Imports of dairy products declined in value and quantity; potatoes more than doubled in quantity of import and nearly doubled in value; apples increased in both value and quantity, and eggs and lard decreased in quantity but increased in value. Excepting butter and potatoes every staple food product of the farm showed a higher value in 1907 over 1906. Altogether it appears that this locality paid to the colonies and foreign countries more for foodstuffs in 1907 than in any previous year.

The usual large quantity of foreign laces, hosiery, and other manufactures came into this district last year in direct competition with local-made products.

WHAT THE UNITED STATES SELLS.

Three-fourths of the imported live cattle and sheep used in Nottingham and vicinity come from the United States. Complaint was made last year that the cattle were not all of the best grade, but no exception was taken to the sheep.

Local sales of American refrigerated beef declined in 1907, Argentine beef being substituted. This was entirely due to the high American price. Dealers do not consider that the difference in quality justifies this higher price. Without advancing prices and losing custom last year, dealers were compelled to reduce their American orders or do business at a loss. Argentina is a most serious competitor, and unless prices and qualities are carefully considered by American exporters that country will make disastrous inroads on the American beef trade with Great Britain. In wheat also Argentina is a sharp competitor of the United States. In 1906 more wheat came from the United States. but last year more from Argentina. In flour the United States (though its sales are now small) has no rival here except the British mills, and supplies three-fourths of the imports, the remainder coming from a dozen countries.

Local dealers report a slight decrease in sales of American hams and bacon in 1907 on account of high prices. Canned meats, reports indicate, are steadily gaining ground. Other canned goods had the usual large sale in 1907. Sales of cereal breakfast foods increased very much over any previous year. American apples continued to grow in favor. The most popular are Newton pippins, Baldwins, and russets. But aside from two or three classes, the quantity of American food products used here in 1907 was hardly up to 1906, dealers explaining that supplies were short and prices high.

SALES OF HARDWARE, SHOES, AND FURNITURE.

In hardware generally the sales of American goods increased last year. This was particularly marked in safety razors. British

safeties are usually sold for less than the American, the price sometimes being cut below the marked retail figure to meet American competition. But the American article takes the popular fancy, being more convenient and more easily adjusted. A manufactory of American safety razors by an American company will soon be in operation at Leicester, all the machinery being brought from the United States, though the workmen will be British.

The quantity of American shoes sold here in 1907 and in 1906 was about equal, though much less than five or six years ago, and prices were higher. Some shops which formerly carried American stock now keep none, supplying what demand there is by ordering from London after trying to persuade the customer to take English goods. The decline is partly due to English manufacturers copying American ideas. It is suggested that trade in American shoes might be increased by quicker delivery of goods ordered and by having large stores in London which would push trade in the provinces. Certainly prices must be lower than those of English shoes of similar grades to offer any formidable competition.

Less American furniture was sold here in 1907 than formerly. A few years ago American roll-top desks and the mission style of furniture were sold in large quantities, but English makers have readily imitated them, and easily meet them in price—the cost of the American goods being materially increased by freight charges and expense of putting in order after receipt. In general American house furniture is not popular in England, for the alleged reason that it is not suitable and that its quality of workmanship is not up to English standards, and dealers say it can not be made popular except by careful attention to English tastes, and liberality in prices and terms of payment. These comments also apply generally to silverware.

Not much lumber excepting box shooks is imported to this district from the United States in any year, and the quantity in 1907 was even less than usual. The making of boxes from American shooks is a large industry in Nottingham, because such boxes are exempt from duty on arriving in the United States filled with foreign goods. This business was larger in 1907 than ever before. About 20,000 boxes carrying lace and hosiery to the United States were certified at this consulate last year. An invoice is now rarely shipped from here except in an American shook case if it can possibly be used. Many other varieties of imports from the United States are sold here in large and generally increasing quantities.

INCREASED COST OF LIVING.

Nearly all commodities advanced in price in 1907 compared with 1906 and 1905. The most important, in amount of increase and as affecting everybody and every industry, was the higher price of coal. The advance varied with different grades, but averaged about 25 per cent in this district, and was caused by increased wages and active demand. Cotton and woolen goods generally were dearer. Bread advanced 15 per cent and flour still more, competition among bakers preventing an equal advance in their product. Lard nearly doubled in price. Bacon increased 10 to 20 per cent, and also imported cheese. Fruits, fresh and preserved, were generally dearer.

Eggs were unusually high. Tea, cocoa, rice, olive oil, and some kinds of game increased in price.

Apparently there were few material decreases to offset the advances, as only coffee, flax, and articles made from common metals are mentioned as of lower price last year than in 1906.

Butter, domestic cheese, fresh meats, and some other articles were about stationary in 1907, though in some cases dealers paid more than in 1906 without advancing the retail price. On the whole it is estimated that the retail cost of living necessities increased 15 per cent compared with 1906. The increased cost of foodstuffs was mainly due to scarcity, and of manufactured products to high prices of raw materials, though both were affected to some extent by the active demand caused by the general prosperity.

CONDITION OF CROPS—DAIRY INTERESTS.

The acreage of wheat declined in 1907, but the yield was above the average. Oats, barley, hay, peas, and beans all yielded beyond the average per acre. The potato crop was relatively small, and also that of turnips and minor vegetables.

The acreage in crops and grass was substantially unchanged, though the acreage of oats was increased at the expense of wheat and barley. The number of horses, cattle, and sheep on local farms declined, and of pigs increased. The decrease in the number of cattle was partly due to unusual losses by tuberculosis, attributed to the cold and wet summer. The high price of bacon, and a belief that the breeding of swine is more profitable than that of other animals, probably caused the increased number of pigs. Horse breeding seems to be generally declining throughout Great Britain. Sheep increased in the Kingdom as a whole last year.

Despite the unwholesome temperature for cattle, 1907 was satisfactory to dairying interests. The dampness made good pastures and the yield of milk corresponded in quality and quantity. Prices of milk and butter were substantially the same as in 1906. Though dairy farming is reported to be making steady progress throughout the Kingdom, no advance is yet perceptible in this locality.

Conferences and conventions of raisers of poultry have given an impetus to that industry. Great progress was made in 1907 toward improved ways of keeping poultry, in selecting the best stock, etc. Artificial hatching is increasing, and improved methods of preserving eggs are being adopted. As an apparent result the quantity of imported eggs declined in 1907 compared with 1906. The smallholdings law, enabling farm laborers and other persons to acquire small tracts of their own, is expected to greatly expand the poultry industry.

Woolgrowers experienced a disappointing year in 1907. The high-price tide of 1906 came over into the spring of 1907. Then Lincoln wools declined through the rest of the year, the December price being 20 per cent below the spring figure. The decline was greatest after September.

INCREASED DEATH RATE—TECHNICAL SCHOOL.

The inclement weather of 1907 increased the death rate in Nottingham to 17.45 per 1,000 of the population (255,000) from a rate

of 16 in 1906. But the average for the preceding ten years was 17.7. The increased mortality in 1907 was entirely due to throat and lung diseases. The number of deaths from cancer was 212, about the annual average for the past decade.

A movement is actively under way to establish a large technical school in Nottingham, giving special attention to laces. Technical instruction is now given in the Art School and the University College, but the design is to consolidate these into one institution and extend it.

Some increases were made in railway fares in 1907 by advancing prices of week-end and excursion tickets. Increased working expenses demanded some such action in the interest of stockholders. Negotiations between competing companies in this territory, looking to agreements which shall reduce needless train service and thus diminish expenses, were begun in 1907. All such arrangements must be approved by the Government Board of Trade, which is not regarding them with much favor.

The making of wicker ware has suddenly become a prominent feature of Nottingham's industries. Developing from nothing in a few years it now engages half a dozen firms employing some 2,000 hands.

The city real-estate market was active but not so lively as business generally in 1907. The extension of street-car lines has injured adjacent property both in salable and rentable value, though building up the suburbs. Farm property was on a sound basis, in good request, and with an advancing price tendency.

DERBY AGENCY.

By Consular Agent Charles K. Eddowes.

In 1907 some of the wholesale and manufacturing industries were exceptionally prosperous and others the reverse, and these differences were perceptible as between one part of the year and another. The leather trade had a difficult time, owing chiefly to financial troubles abroad, and it is feared that many hands may be thrown out of work unless there is a speedy revival. The lace trade was especially good, but during the last months of the year some branches of it declined. The iron trade was not particularly good. The coal trade was very unsettled, and there is talk of increased prices. The retail business generally was not good, and complaints were general. The small shopkeepers complain much of the cooperative stores by reason of the latter giving a commission upon the value of the goods purchased. The number of invoices consulated here was larger than in 1906, but the total declared value was less.

DECREASE IN SHIPMENTS OF SHEEPSKINS.

With the exception of exporters of salted sheepskins the financial crisis in America apparently did not affect industries in this district to any great extent, and though the value of beer exported shows a decline as compared with 1906 this was due to the unusual quietness of the trade in the first few months of the year. During the latter part of the year the value of beer exports greatly exceeded that for the corresponding period of 1906.

The largest item in Derby's exports to the United States is salted sheepskins. The firm shipping them says:

We have been compelled to curtail our purchases of pelts by almost two-thirds, and there would be no use in sending shipments of salted goods to the United States, as there have been practically no sales made since the middle of November, and, in fact, very little sales have been made there since last September. We believe that all firms who have exported any sort of goods to the United States have felt the effects of the financial panic, and in our own case it will cost us a large sum of money, inasmuch as prices of our goods have dropped everywhere from 30 to 40 per cent, and we do not know how much lower they may go. During the first three months business in the United States was not bad, but it began to slow down at the end of March, or early in April, and seemed to be growing worse to the end of June, and worse still in July, which compelled us almost to close our factory, and until there is a material improvement in trade in the United States we can not see our way to do the large business that we have done in the past.

BUILDING INDUSTRY—EXPORTS TO UNITED STATES.

The building trade in Derby was almost at a standstill, and the number of shops and houses unlet was very large. The past year was notable for the advance which the town has made through the efforts of the borough development committee. These have resulted in the establishment of new public works.

The following table gives a comparative statement of the values of exports to the United States declared at Derby in the past three years:

Articles.	1905.	1906.	1907.
Beer	$261,107	$253,543	$243,676
China and earthen ware	3,433	10,567	12,531
Colors	100,521	116,134	113,131
Cotton yarn	4,481	3,496	6,228
Grindstones	8,028	15,122	8,292
Machinery	8,533	17,684	15,793
Oil, sod	12,937	10,703	24,114
Powder, polishing	7,914	5,376	7,840
Sheepskins, salted	780,760	1,043,675	953,448
Tapes	3,660	4,505	7,416
Wire, steel rope	.....	10,444	17,093
All other articles	19,790	31,021	18,295
Total	1,211,164	1,522,260	1,427,857

LEICESTER AGENCY.

By Consular Agent Samuel S. Partridge.

Trade generally was fairly good in Leicester in 1907, and the output of manufactured goods probably exceeded previous records. But unfortunately the number of the unemployed (persons displaced by labor-saving machinery or by the substitution of juvenile and female labor for adult and male labor) was little reduced. The number may even be increased, as the growing tendency of manufacturers is to leave Leicester, where taxes and wages are high, and go to neighboring villages where these important items are lower.

That there is a check to the advent of new manufacturing concerns into Leicester is apparent from the returns of the local sanitary authority, which show that plans for only 29 new factories were submitted in 1907, as against 39 in 1906 and 43 in 1905. There is now a large number of empty houses, shops, factories, and other buildings, estimated at 3,000, so that it is not to be wondered at that the building trade and the real property market have formed glaring exceptions to the general briskness of trade; indeed, these two interests were practically stagnant during the past year.

TRADE WITH THE UNITED STATES.

The declared value of the exports from Leicester to the United States during the past three years was as follows:

Articles.	1905.	1906.	1907.
Elastic webs	$135,566	$146,421	$163,403
Gloves	39,195	47,255	30,273
Gravel spar			16,464
Hosiery and underwear	30,872	36,991	26,781
Leather	10,413	33,891	23,529
Machinery	46,933	27,386	45,725
Photographic apparatus	5,797	16,269	12,773
Seeds	6,773	10,765	6,780
Wool		29,116	106,193
All other articles	16,996	28,737	19,414
Total	292,545	376,831	451,335

PLYMOUTH.

By CONSUL JOSEPH G. STEPHENS.

During the past year there was shipped from this district to the United States goods to the value of $2,937,848, as compared with $2,414,007 in 1906. This increase in the export trade of southwest England is accounted for by the natural growth of commerce and industries, and the rapid development of the china-clay industry. In this respect Devon and Cornwall experienced marked prosperity during 1907. The shipments of china clay and china stone to the United States alone during the year totaled $1,784,740, while black tin amounted to $953,849, and the shipments of salted fish and spirits continues to rapidly increase.

There is no definite means of ascertaining the amount and value of imports to this district from the United States. Such shipments mostly come through agents in London and Liverpool. There is no doubt, however, that more American-made goods and products were sold in this district during 1907 than ever before. This fact applies to a particular degree to the boot and shoe trade. Enormous quantities of American made footwear are worn in this city. The sale of rubber boots and overshoes is reported by the merchants to have been much heavier. The old fashioned heavy hob-nailed English footwear is largely a thing of the past. American meat products had only an average sale. Apples and fruits are in great demand, and the sales were heavy. All local hardware shops stock the latest goods from the United States, and I am reliably informed that the popularity of this line is gaining ground and that requests are made daily for American tools. During the past year American-made felt hats were stocked at certain local stores, and the demand for them is better than was anticipated. England offers a splendid field for some large American firm to introduce first-class hats made on American models.

NAVIGATION—OCEAN PASSENGER AND MAIL SERVICE.

During the year 1907, 4,137 vessels of 2,621,051 tons arrived, and 3,867 vessels of 2,479,977 tons sailed from Plymouth, as compared with 3,854 vessels of 1,208,744 tons arrived and 3,677 vessels of 1,068,648 tons sailed in 1906. This was due to the fact that for the first time the official returns include the tonnage of the foreign mail and passenger steamers which touch at Plymouth and make it their only British

port of call. In the traffic with ports outside the United Kingdom, 912 vessels of 1,742,973 tons arrived and 779 vessels of 1,559,217 tons sailed in 1907, as against 698 vessels of 377,507 tons arrived and 521 vessels of 111,889 tons sailed in the preceding twelve months.

In the coastwise trade last year 3,225 vessels of 878,078 tons arrived and 3,088 vessels of 920,760 tons sailed, as compared with 3,156 vessels of 831,237 tons arrived in 1906.

Both the mail and passenger traffic returns for the past year showed an increase. The amount of specie, owing largely to the financial conditions in the United States, was below the amount usually landed. No less than 441 steamers arrived at Plymouth homeward bound from all ports of the world, while 105 steamers sailed from Plymouth for America, Australia, New Zealand, etc. Embarking or landing from these steamers at Plymouth were 27,356 passengers, as against 23,709 in 1906. Mails to the number of 169,974 bags were put ashore, the corresponding figures in 1906 being 137,916 bags. The specie landed amounted to $39,540,000, only about $14,600,000 coming from the United States. In the previous year the value of the specie landed at Plymouth amounted to approximately $60,831,000.

The most important event of the year was the transference of the White Star Line's express service of mail steamers from Liverpool and Queenstown into the English Channel, making Plymouth and Southampton their respective ports. This change was made in order to compete with the German companies for the continental traffic.

Extensive improvements have been made by the Great Western and London and South Western Railways at their dock landings for the accommodation of ocean passengers. Every facility is now afforded for the speedy and comfortable transfer of passengers and their baggage. The special trains which carry all passengers from America make the journey to London under four hours.

MINING OPERATIONS—EXPORTS TO THE UNITED STATES.

The early part of 1907 witnessed a remarkable revival of mining in the counties of Devon and Cornwall. Tin reached a record figure, and with its advance new mines were opened, old prospects explored, and abandoned mines reopened. For a season it appeared as if the old days of prosperity were about to return to the industry, but the price of tin gradually dropped and with its decline came depression and failure. The demand from the United States is small and it is upon this market that the prosperity of Cornish tin mining largely depends.

The value of the exports declared at Plymouth to the United States during the past three years was as follows:

Articles.	1905.	1906.	1907.
Arsenic	$27,445	$58,934	$54,831
Brushes	11,009	8,481	6,635
Clay	666,457	922,368	1,550,899
Fish	4,353	3,991	4,038
Gin	101,092	100,866	98,106
Household effects	333	816	2,881
Liqueurs	1,256	1,910	464
Paintings	273	2,195	195
Pottery	201	415	212
Prussiate soda	2,802	2,143	2,496
Sausage casings	8,034	1,980	2,004
Stone	4,794	6,937	10,283
Woolen goods	.....	955	1,580
Other articles	1,316	4,909	2,619
Total	829,365	1,116,900	1,737,243

SHEFFIELD.

By Consul Charles N. Daniels.

The past year in the iron and steel trades of Sheffield was one of plenty of work and high prices. The early part of the year showed little or no falling off from the business of 1906, but soon after July 1 a slackening was noticeable, and since October 1 the falling off in trade was marked.

Considerable fluctuation in the price of pig iron and hematite has taken place. Late in 1906 the price was comparatively low, from which a gradual rise took place until the top was reached in the summer of 1907. Since June the price slowly declined, closing at a figure somewhat lower than that of a year ago. Had it not been for a sustained demand from the continent and the United States for pig iron it is thought that prices would have given way even more than they have done. The depression in the shipbuilding trade was felt by the makers of marine specialities very decidedly. Armor-plate makers have not been fully employed. One of the most active departments of local trade was the supplying of railway material, the colonies, India and South America being steady buyers.

IRON AND STEEL MANUFACTURES.

The manufacture of electrical machinery is becoming an important item of the city's trade. A number of heavy generators of 1,000 horsepower or more were turned out; a patent beltless electric drive for planing machines found a market in America, China, Japan, South America, Germany, France, Italy, and South Africa; electric machinery for collieries showed an increasing demand, and several generators and induction furnaces for electric smelting of steel were supplied, one going to Canada.

In the lighter steel trades files were manufactured on a larger scale than ever before, the demands of continental and colonial buyers being unusually extensive. The falling off in the manufacture of special high-speed tool steel is accounted for in the lessened American demand, owing to curtailment in copper production in the United States. Saw makers were fairly busy, and tool makers did a good business, although the trade in South Africa was not at all satisfactory, foreign competition in that market having made itself felt.

The lighter trades, particularly cutlery and silverware, did not share in the general improved condition of trade, the high price of material and the uncertainty of what the future may have in store in this respect helping to produce this condition. The demand, however, was for a better quality of goods; although costing more they are more durable. The eastern market still continues to be a good customer for the cheaper grades, the climate there being detrimental to steel.

In the silver trade there seems to be a determined effort on the part of the Sheffield manufacturers to do away with the trade in "phantom" or "shadow" silver, and the opinion seems to be that the trade in this class of goods has reached its height and that the demand will fall off in the near future.

While the volume of business done in pocketknives, scissors, and razors in Sheffield was not all that the makers wished it to be, still they have held their own, and in the matter of scissors are com-

peting very well with the German manufacturers. The razor trade, it is said, was never better than at the present time. In spite of the enormous expansion of the safety-razor trade, most of the firms are well employed at fair prices for a good article; one firm is said to have supplied more razors of the best quality than ever before in their experience.

SALES TO THE UNITED STATES.

The value of the exports declared at Sheffield for the United States during the three mentioned years was as follows:

Articles.	1905.	1906.	1907.
Blanco (pipe clay)	$26,920	$45,592	$22,848
Brass, scrap	138,864	198,421	50,509
Cutlery	3 8.630	430,100	411,143
Edge tools, etc	13,336	11,730	7,219
Electroplate and silverware	1.560	2,658	12,147
Furnace flues	10.616	9,790	1,989
Furniture	.....	.....	6,324
Garden tools	5,917	8,874	7.582
Glass and china ware	.....	.....	9.172
Graining combs	3.821	4,881	5,111
Grindstones	10,738	10,442	10,920
Hair, etc	66,503	16,268	5,320
Horn, and manufactures of	128,120	143,029	140,250
Iron, scrap	429	.....	27,828
Lead tubing	1,921	6,317	8,109
Machinery	2,679	20,448	7,021
Measuring tapes, rules, etc	35,841	48,705	33,889
Pearl, and manufactures of	23,663	33,635	39,642
Platinum sponge	20,366	51,084	63,567
Shears, sheep and garden	45,100	57,285	51,543
Steel, sheets, bars, wire, etc	1,921,396	3,222,734	2,846,403
Trees	1,141	2,231	3,226
Twist drills	4,364	15,898	9,928
Umbrella ribs	6,832	5,744	8,429
Vegetable fiber	3,124	7,983	7,498
Wheels and axles	1,463	3,383	17,630
All other articles	34,017	28,945	34,649
Total	2,877,361	4,386,177	3,849,956

The value of the exports declared at Barnsley to the United States during 1905 was $287,557; 1906, $328,064; and 1907, $315,666. The leading items in 1907 were: Pickled sheepskins, worth $164,212; glue, $121,862; sheep dip, $13,389; linens, $11,412; wood bobbins, $4,106; and scythe stones, $477.

SOUTHAMPTON.

By Consul Albert W. Swalm.

The calendar and business year of 1907 for this consular district closed with the advantage of having had fairly steady prosperity for the greater portion of it—showing some signs of slackness in the last quarter—in sympathy naturally with conditions in the greater commercial sections of the midlands and of the shipbuilding centers. Prosperity was well attested by the constant employment of labor and the relative absence of poverty. A steady demand for labor and new work found place for several thousands, and the promise is that labor will be so employed for several years steadily.

The English trader is found willing to take up anything that may make business, and he needs no special schooling in the development of his sound judgment herein. He is conservative, but he is

also sure and appreciative in his business judgment, as one of the wise suggestions, coming from such a business quarter, is that of establishing great distributing agencies in the south of England for American products, and a plan is being developed which will keep a full and abundant supply of stocks of the chief American products for which this section has a demand. As it is now managed much of American commodity is handicapped by double rail freights.

MEAT SUPPLY—SHIPPING INTERESTS.

The meat trade, in which a large section of the American producing market is concerned, has found a very large and increasing volume of beef competing from Argentina, where the best of appliances for chilled meat have been installed, with refrigeration on steamships which are ample and modern. This supply has increased by about 25 per cent in the past year. In quality the grass fed and fattened Argentina and Uruguay beef is pronounced good, and it is making its way in the general market to the satisfaction of the concerns handling it. There is every reason to expect that the beef supply from the River Plata will in due time exceed in quantity that now coming from the United States. No live cattle can be landed in England from any of the cattle-producing countries of South America, the agricultural board having prohibited such imports, fearing the danger attending from infection from the foot-and-mouth disease and one or two other infectious calamities afflicting the bovine family. So it will only be by refrigeration that the vast and increasing supply can reach the English market. It will never figure in any way in tinned lines, on account of conditions of climatic and insectivorous nature making that work next to impossible, commercially speaking. The package meat goods traffic coming from the United States will not be put into competition from that section under present conditions. In tongues alone do the South American tinned, smoked, or pickled articles appear in these markets, and these hold an excellent reputation.

The imports of American beef in quarters show a steady diminution for the past three years, as may be observed from these figures: 1905, 267,952; 1906, 244,845; and 1907, 180,896.

The port of Southampton shows a very steady increase in shipping interest. Nearly all the great shipping lines trading in the Far East and all South American ports have made it either the starting port or a port of call, the conditions of the Solent being such that a low-tide depth of 32 feet can always be found, never an hour being lost in delay by any vessel, however great its tonnage. A great basin is being built covering 18 acres, with a depth of 35 feet at low tide, which will give room for seven of the largest vessels now afloat.

IMPORT TRADE AND SHARE OF THE UNITED STATES.

The total imports into Southampton during 1907 were valued at $114,418,060. Of this amount articles worth $78,252,160 were free of duty, $9,906,200 dutiable, and $26,259,700 goods registered for transshipment under bond. The imports from the United States during the y amounted to $17,237,660, of which $15,984,200 represented free goo $1,072,415 dutiable, and $181,045 transit goods. The imports (free goods) into Southampton and

also the value of the imports into Southampton from the United States during 1907 are shown in the following table:

Articles.	Value.	From United States.	Articles.	Value.	From United States.
Breadstuffs	$3,076,505	$480,390	Leather, and manufactures:		
Caoutchouc, and manufactures	1,797,660	276,700	Boots and shoes	$287,500	$112,855
Carriages, motor cars, etc	1,420,670	119,545	Dressed	496,180	494,205
Copper manufactures	783,085	7,435	Paper	160,650	9,465
Cotton manufactures	165,285	38,050	Plants	244,785	11,215
Electrical goods	43,460	37,570	Provisions:		
Fruit:			Bacon	2,834,355	2,834,185
Apples	889,590	609,920	Beef, fresh	9,667,880	6,352,490
Pears	692,465	18,900	Butter	8,538,815	7,400
Instruments:			Lard	353,645	353,305
Musical	39,285	31,325	Oleomargarine	140,215	11,685
Scientific	523,630	511,675	Poultry	173,350	37,665
Iron and steel manufactures:			Skins and furs	1,168,750	1,167,460
Hardware	71,920	45,215	Watches	288,405	271,345
Implements and tools	408,240	403,360	Woolen goods	183,345	166,300
Machinery—					
Electrical	218,475	208,495			
Other	900,435	854,205			
All other	191,230	135,830			

Of the dutiable imports from the United States the articles were: Coffee, worth $395,665; spirits, $210,405; sugar, etc., $292,060; playing cards, $97,330; cocoa, $2,090; and tobacco, $74,865.

The exports of foreign and colonial free goods from Southampton were valued at $19,947,565, of which articles worth $11,430,530 went to the United States. The leading articles were: Lace, valued at $6,855,100; skins, $1,264,205; china and earthenware, $393,850; caoutchouc, $392,975; fruits and nuts, $304,255; tin in block, $246,255; shells, $642,720; stationery, $183,570; diamonds, $185,635; bristles, $142,310; gums, $141,005; ornamental feathers, $106,620; and precious stones, except diamonds, $148,280.

EXPORTS OF BRITISH AND IRISH PRODUCE.

The value of the exports of British and Irish produce and manufactures from Southampton during 1907 was $64,553,725, of which articles valued at $4,356,680 were shipped to the United States. The following table shows the principal exports of British and Irish products from Southampton, and also the exports from Southampton to the United States during 1907:

Articles.	Value.	To United States.	Articles.	Value.	To United States.
Apparel	$6,930,030	$57,400	Perfumery	$73,150	$11,110
Arms, ammunition, etc	419,855	24,880	Pictures	214,820	183,935
Books	2,147,105	866,385	Prints	131,440	88,000
Caoutchouc manufactures	390,225	62,060	Provisions	1,089,845	19,880
Chemical products	594,215	46,930	Saddlery	244,120	2,600
Chinaware, etc	134,295	26,665	Scientific instruments	204,205	29,995
Cotton goods	22,845,960	915,005	Seeds	106,475	52,955
Furniture	552,505	101,100	Silk articles	409,480	187,890
Haberdashery	802,750	18,730	Skins	193,985	133,405
Hats	859,575	25,365	Soap	176,460	88,605
Leather	3,971,190	505,475	Spirits	673,975	132,385
Machinery	1,995,235	16,850	Stationery	1,267,810	181,590
Medicines	504,015	52,455	Umbrellas	124,850	11,185
Painter's colors	261,440	34,400	Woolen and worsted goods	5,411,795	138,615
Paper	337,369	99,415			

EXPORTS TO THE UNITED STATES.

The value of exports declared at Southampton and agencies to the United States during 1907 was $235,878, being a gain of $68,466 and

$57,484, respectively, over 1906 and 1905. The items are shown in the following table:

Articles.	1905.	1906.	1907.
Automobiles	$2,000	$3,750	$44,207
Carpets			6,192
Chestnuts	5,357	10,109	6,582
Clay	14,702	12,261	6,837
Corsets, materials for	250	1,424	1,154
Cotton, canvas, etc	2,026	3,260	9,557
Furniture	4,881	1,250	112
Gloves	28,076	42,901	94,608
Household effects	3,106	584	1,844
Leather	15,635	18,755	20,764
Marine glue	816	534	1,205
Mistletoe	1,344	258	222
Rope, hemp	357	1,075	358
Sheep	487	584	1,195
Skins, pickled	75,229	58,508	12,228
Smoke filters		3,661	1,075
All other articles	24,119	8,498	27,738
Total	178,394	167,412	235,878

Close observation as to the condition of the packages containing American goods during the past year makes it desirable to report a very favorable change for the better. The number of parcels landed in bad condition, from faulty boxing, was reduced almost to the point where the breakages may be classed as "accidental" rather than to fault of packing. And this includes light as well as the heaviest articles. Especially excellent was the condition of the boxing of the Oregon apple shipments, in which breakages have occurred almost entirely on accidental lines.

IRELAND.

By Consul Alfred K. Moe, Dublin.

The latest official returns of the trade of Ireland, which the department of agriculture and technical instruction for Ireland has issued, covers the year 1906. It is the third of a new series of reports and returns which that department has made public and brings the figures of imports and exports to the end of the year 1906. The preceding returns were for the years 1904 and 1905.

Irish imports and exports mean all goods imported or exported by Ireland, whether from or to Great Britain and its colonies, or from or to foreign countries, the terms including not only the colonial and foreign but also the cross-channel trade between Great Britain and Ireland. The import and export trade of Ireland is thus the sum of three things: (1) The direct trade between Ireland and all other countries outside of Great Britain; (2) the indirect trade of Ireland with these same countries via Great Britain; and (3) the local trade between Ireland and Great Britain. The figures taken from the report are by no means insignificant when we consider the condition of commercial relations in Ireland.

IMPORTS AND EXPORTS.

The estimated value of Irish imports and exports in 1906 was $544,872,299, viz: Imports, $274,301,727; exports, $270,570,572. There was an increase in both imports and exports in 1906 as compared with the two preceding years, but this increase was more marked in the exports than in the imports.

The following statement shows the value of the imports and exports of Ireland in 1904, 1905, and 1906:

Year.	Imports.	Exports.	Total.
1904	$258,827,347	$240,397,975	$499,225,322
1905	266,651,024	249,039,818	515,690,842
1906	274,301,727	270,579,572	544,872,299

The Irish export of all classes of live stock was much larger than the import from any other country into the United Kingdom. The export of horses from Ireland to Great Britain in 1906 amounted to 33,896, and, if from these figures be deducted even the total number of horses imported into Ireland, there remained a net export of 28,790 horses. The total number of horses, as against the Irish figures, imported into the United Kingdom from all foreign and colonial countries amounted to 17,848 in 1906, of which 11,665 came from Russia. In the case of cattle, the number exported from Ireland to Great Britain was 776,281, while the total imports from foreign and colonial countries into the United Kingdom amounted to 561,215, of which number 398,887 came from the United States and 160,689 from Canada. But the total annual value of the import of foreign and colonial cattle ready for killing was greater than the Irish export. The Irish export of butter to Great Britain was the second largest in quantity and value, the import from Denmark being first and that from Russia third. Irish eggs were the second largest quantity, and the largest value imported into Great Britain; a larger quantity arriving from Russia, but the value of these was lower than that of the Irish product. The export of poultry from Ireland to the United Kingdom was much greater than that from any other country. Ireland exported to Great Britain poultry to the value of $3,530,358, while the highest imports from other countries to the United Kingdom were as follows: From the United States, $1,186,208; France, $991,373; Belgium, $948,860; Russia, $903,392.

As regards bacon and hams, the Irish export was fourth on the list, the largest quantities reaching Great Britain from the United States, Denmark having the second, and Canada the third place. The Irish export of potatoes was the second largest quantity exported to Great Britain; as regards oats, the export from Ireland was fourth, Russia, the United States, and Germany being the largest exporters to the United Kingdom.

These cases are sufficient proof of the strong position which Ireland holds in the markets of Great Britain, and as these are the great open markets of the world for agricultural produce, the figures given bring out plainly the wide and representative character of Irish agricultural exports.

FARM PRODUCTS, RAW MATERIALS, AND MANUFACTURES.

In money value the farm produce, foodstuffs, and drinks of Ireland represented in 1906 an export and import value amounting to $259,069,898, and if the farm produce which came within the raw materials of manufacture—fats, hides, and skins, etc.—were added, this group would amount to over one-half the total import and export trade of Ireland.

With all the advantages of speedy ocean transportation to the chief and direct markets of Great Britain, there seems to be no reason why agricultural producers in the United States should not compete

even more successfully with those from Russia than the foregoing figures indicate. All our surplus agricultural products should find a market in the United Kingdom as expeditiously and with as much facility as those of Denmark or France, not to mention Canada.

The total value of raw materials imported into Ireland in 1906 was estimated at $40,693,794, as compared with $40,808,517 in 1905. These imports consisted mainly of coal, wool, flax, and other raw materials for the textile industries. The exports of raw materials in 1906 were estimated at $16,908,118, as compared with $17,723,476 in 1905.

The report takes manufactured articles, the third and final division of Irish imports and exports. In 1906 those represented an aggregate import of $131,395,500, or nearly one-half of the total imports. The export of manufactured articles was estimated approximately at $97,330,000, or more than one-third of the value of the total exports.

BELFAST.

By Consul Samuel S. Knabenshue.

The manufacture of ginger ale and aerated waters has been a leading industry for many years, with a heavy export trade to all parts of the world. The cold and wet summer of 1907 naturally diminished the demand, but the firms engaged report an average year. The United States takes a fair share of the export, not only through Atlantic ports but those of the Pacific. The value of the shipments were $49,915 less than for the previous year.

The distillers and whisky dealers of the Belfast consular district pay about two-thirds of the total amount of spirit duty collected in Ireland. The local trade in 1907 showed no particular improvement, one of the reasons being that the consumption of whisky as a beverage in Ireland is steadily decreasing. The export trade for the year showed an increase in the case of the United States, the amount being $58,384 more than for 1906.

The manufacture of rope and cordage is a very important Belfast industry. During 1907 about 15,000 tons of hemp were imported to supply the raw material. The product embraces everything from the heaviest hawsers and mooring ropes to net twines, fishing and log lines, shop and binder twines. The output of the latter is increasing, and the product is exported to the United States (especially the Pacific coast), Canada, Argentina, India, Australia, and southern and eastern Europe.

FOUNDRY AND MACHINE WORK—GRAIN IMPORTS.

In foundry and machine work, outside the shipyards, the year was unsatisfactory, partly because the strike in the summer prevented or delayed the delivery of machinery to English customers, and partly because of the general depression in this trade throughout the British Isles. The exceptions were textile machinery for local mills and machines covered by patents. The most notable of these is the Sirocco Works, which manufacture fans for mines, furnaces, foundries, forced draft on steamers, etc. The American trade of this establishment has so increased that within the year it has established an American branch, with a factory at Troy, N. Y.

The wheat imported at Belfast comes from Australia, India, and the United States. The local millers depend for their supply of fine

white wheat on Oregon and Washington. The Belfast mills have a capacity sufficient to produce about one-half the flour consumed in and distributed from this point. The remainder is furnished by cross channel and foreign mills.

Belfast imports largely of Indian corn, which is ground in local mills, the meal finding a market among farmers as food for live stock. Very little is used for human consumption except among cottagers, whose potatoes failed because of wet weather.

EXPORTS TO THE UNITED STATES.

The value of all goods certified at Belfast for export to the United States during the past three years was as follows:

Articles.	1905.	1906.	1907.
Cottons	$765,157	$986,235	$1,097,467
Flax	186,112	301,010	337,942
Herrings	136,492	85,339	106,809
Laces	15,019	17,446	31,256
Linen manufactures:			
Piece goods	10,220,986	11,715,305	11,267,383
Thread	41,942	57,980	82,179
Yarn	123,644	197,210	257,379
Machinery	60,540	111,539	41,166
Mineral waters	80,327	122,374	72,459
Paper stock	51,970	47,991	41,970
Potatoes	161,802	104,129	5,925
Union goods	1,559,847	2,030,982	2,516,882
Whisky	58,222	96,490	154,403
All other articles	149,534	93,874	144,106
Total	13,611,594	15,967,904	16,157,326

SHIPBUILDING—NAVIGATION AND BUILDING OF DOCK.

The total output of Belfast's two shipyards for 1907 was 138,260 tons, as against 148,716 in 1906. But this decrease of 10,456 tons is more apparent than real, because several large vessels have been under construction for several months. The tonnage returns embrace only those vessels actually launched within the twelve months. There was no reduction in the labor forces, a fact much appreciated by the more than 20,000 persons engaged in this industry. The vessels launched include 19 steamers, 1 ocean-going oil barge, 12 barges, and 2 steamers rebuilt with increased tonnage.

The oil barge Navahoe, of 7,850 tons, was built for the Philadelphia and London trade. She will carry 10,000 tons of oil in bulk, and is intended to be towed across the Atlantic by an oil-tank steamer. She has six masts and rigging enough to enable her to make her own way should any mishap occur in the towing arrangements.

The total tonnage for Belfast Harbor for the year was 2,584,234 tons, as against 2,676,475 in 1906. The decrease of 92,241 tons was due to the prolonged strike of dock laborers during the summer of 1907, which greatly interfered with the loading and unloading of vessels. The revenue of the harbor board was $773,773 for the year, the largest on record, and about $10,000 in excess of the 1906 revenue.

The closing days of 1907 witnessed the completion of the repairs to the Alexandra graving dock, and its opening for repair work to large vessels. Its closing caused many large ocean-going vessels to seek other ports for repairs, as there is not another dock here which can accommodate them. The injuries to the dock were caused by the construction of a new dock alongside, a substratum of fine sand being carried away by the action of the pumps in the new excavation,

and causing two subsidences of the walls, one in October, 1905, and a more serious one in April, 1906. The restoration of the Alexandra dock being completed, the work on the new structure will be pushed as rapidly as possible. The dock is 800 feet in length, with entrance 80 feet wide. Until recently it was the largest dry dock in the world.

CORK.

By CONSUL HENRY S. CULVER.

The new industrial movement is now widespread, and tradespeople everywhere in their show windows and over the counter are making conspicuous the "Made in Ireland" goods, and the idea generally prevails that there is at hand a new awakening of the country's energies.

Evidence of the earnestness of the people to strengthen their industrial and commercial position was not wanting at the industrial exhibition, held in the city of Cork in December last, under the auspices of the Cork Industrial Development Association. It was a comparatively small exhibition, only a few score of industries represented, but it was one of real Irish-made goods, and to make the effect more pronounced an exhibit of imitation goods and wares was also made. This was done to bring prominently before the public the necessity of adopting and using the national Irish trade-mark, by which means it is sought to drive out a flood of imitation goods, and at the same time by comparison draw particular attention to the Irish product.

SCIENTIFIC AGRICULTURE.

Ireland could be preeminent in agriculture. Its soil is rich and productive and its climate conducive to the raising of most of the grains, roots, fruits, and vegetables to perfection; while dairying, poultry raising, and its fisheries are sources of immense wealth to the country. The leaders in this industrial movement, therefore, are keeping before the people the vast possibilities in these respects, when the farmers shall own their own land, and shall, through technical instruction, and more improved methods of farming, and cheaper transportation facilities be able to supply largely the great dependent manufacturing centers of England and Scotland.

Scientific agriculture, as against the methods heretofore in vogue, is urged upon the people with good effect by the department of agriculture, which is fathering the industrial movement with a zeal that is commendable, discouraging subsidies and encouraging self-reliance, counseling the people to take it upon themselves, rather than clamor for aid from the State. More tillage is recommended, since within the past few years many farmers have given up diversified farming and taken up stock raising instead, and it is pointed out that this must eventually prove less profitable than scientific tillage of the land; moreover the land is too valuable to permit of successful competitive stock raising.

LIVE STOCK EXPORTS.

From a report of the department of agriculture for 1907 the live stock exports from Ireland are given as follows:

The gross total of the exports from Ireland last year of cattle, sheep, swine, goats, horses, mules, and asses was 2,025,292. This amount falls short of the annual average, 2,198,953, for the decade ended in 1907. So far as the export of cattle is concerned, the

total for 1907 may be considered a satisfactory one, the figure reached, 843,010, having been exceeded only twice in the decade.

In the sheep exports, however, there has been a decline in recent years. In 1902 the total number of sheep shipped from Ireland reached 1,057,943, while in 1907, 666,363 sheep were exported. A decrease, however, of practically the same amount took place in the stock of sheep kept in Ireland, the figures being, in 1902, 4,215,865, and in 1907, 3,816,609, and it is reasonable to assume that this diminution accounts for the reduction in shipments. The swine exports for 1907 are over 50,000 head in excess of those for 1906.

The recovery in the Irish live-stock trade, which was noticeable during the year 1906, has been well maintained. The prices obtainable for cattle showed an upward tendency toward the end of the year, and on the whole well-finished beasts realized sums which afforded feeders an encouraging margin of profit. There was a brisk demand at fairs and markets for young, well-fed cattle. The price of sheep ruled high in Irish markets during the early months of the year. Later the value of sheep dropped. This, in some measure, may be accounted for by the fall in the price of wool. In order to meet the requirements of victualers in Ireland, the importations of sheep from Scotland were very considerable. As compared with the year 1906, and taking the Irish railways as a whole, there was an increase in the number of animals carried over the lines during the period under review. This was particularly noticeable in respect to cattle and swine.

IMPORTS AND EXPORTS.

The imports into and exports from Cork (Queenstown), by quantities, for the years 1905 and 1906, the figures being the latest available, are shown in the following table:

Articles.	Imports.		Exports.	
	1905.	1906.	1905.	1906.
	Tons.	*Tons.*	*Tons.*	*Tons.*
Animals, live.....number.	.....	.....	160,706	156,016
Bags	697	1,042	425	388
Bottles	1,063	1,045	120	100
Breadstuffs:				
Barley	1,956	3,278	144	822
Bran	3,159	3,807	1,114	828
Flour	12,595	15,098	4,257	2,891
Maize	86,151	82,358	7,985	4,404
Meal	1,935	2,335	.....	.....
Oats	2,423	1,433	7,947	9,623
Wheat	80,125	60,506	7	716
Candles	827	549	62	27
Cement	11,861	11,817	402	94
Confectionery	96	222	369	184
Earthenware	2,088	2,213	77	19
Eggs	.....	.....	4,497	4,686
Glass and glassware	899	927	65	42
Hides	112	58	1,396	1,474
Iron and steel manufactures:				
Bar, etc	3,256	2,667	.....	.....
Engines	223	255	.....	.....
Hardware	334	467	267	146
Machinery	1,244	935	348	210
Nails	981	998	.....	.....
Wire	376	445	.....	.....
Wrought	4,597	2,788	140	63
Leather	112	128	26	11
Manure	8,938	10,361	3,036	2,799
Oil cake	2,941	3,554	.....	.....
Phosphates	6,506	7,035	.....	.....
Provisions:				
Beef, fresh	158	441	.....	.....
Butter	43	49	9,251	10,312
Cheese	137	171	9	10
Lard	72	199	570	677
Margarin	53	63	46	229
Milk, condensed	47	52	3,983	5,906
Pork	3,391	4,072	7,838	7,535
Poultry	.....	.....	644	625
Tallow	94	136	40	50
Soap	555	547	129	112
Spirits, wine, and malt liquors	5,094	4,973	1,728	1,519
Sugar	23,365	16,380	640	90
Tobacco	243	301	111	111
Wool	192	351	333	377
Yarn	550	460	514	549

CLASSIFIED EXPORTS TO THE UNITED STATES.

The value of the exports declared at Cork (Queenstown) to the United States during the year 1907 was as follows:

Articles.	1907.	Articles.	1907.
Books, old	$787	Horses	$1,947
Cotton crochet	11,131	Hides and skins	20,007
Church regalia	740	Magnesia	4,012
Down, raw	1,249	Whisky	5,455
Fish	62,151	All other articles	3,881
Furze sticks	812		
Glove material	575	Total	112,747

The total number of emigrants leaving Cork for the United States in 1907 was 38,750 against 28,994 in the previous year. This increase of 9,756 is accounted for largely by the great number of visitors to the Dublin exposition last year.

The number of vessels entering at the port last year was 54 of 672,263 tons. There were also 192 vessels called for orders and repairs.

DUBLIN.

By Consul Alfred K. Moe.

The total number of tons of goods imported into Dublin in 1907 was 1,038,438, against 1,082,086 tons in 1906. There were also imported in 1907, 1,116,232 tons of coal, an increase of 57,373 tons over the previous year. The principal articles of import of foreign produce during the years 1906 and 1907 are shown in the following statement:

Articles.	1906.	1907.	Articles.	1906.	1907.
	Tons.	*Tons.*		*Tons.*	*Tons.*
Ale, beer, and bitters	1,380	1,348	Linseed cake	2,201	2,624
Agricultural implements	35	36	Oil	33,274	27,978
Asphalt	1,360	839	Paper	2,471	2,213
Breadstuffs:			Phosphate rock	47,598	50,631
Barley	10,607	4,473	Pitch	3	125
Corn	74,647	72,833	Provisions:		
Flour	22,904	25,294	Meat products—		
Meal	2,858	2,169	Bacon		20
Oats	2,754	16	Beef and mutton	331	208
Rye	2,808	1,456	Lard	107	37
Wheat	103,815	90,948	Margarine	213	127
Cars, etc	6,425	9,542	Meat	208	13
Cement	15,089	10,711	Tallow	21	31
Cotton, and manufactures:			Dairy products—		
Raw	192	25	Cheese	15	8
Fabrics, etc	54	48	Milk	125	129
Cotton-seed meal, etc	2,705	3,134	Rice	392	425
Drugs and chemicals	31	18	Rosin	461	537
Eggs	33	38	Slates, etc	2,657	2,416
Fruit:			Starch	304	306
Apples and pears	26	104	Sugar	12,516	14,666
Dried	231	128	Wax (paraffin)	23	50
Glass	1,777	1,834	Wood, and manufactures:		
Iron and steel manufactures:			Boards	17,410	20,298
Hardware	61	47	Deals	58,642	49,770
Machinery	177	353	Furniture, new	53	47
Nails	655	422	Hoops	66	65
Wire	374	136	Laths	550	538
Wrought	1,759	1,357	Staves	2,197	1,642
Lead	642	801	Timber	15,440	18,778

The total number of tons of merchandise exported from Dublin in 1907 was 501,287, an increase of 35,992 tons over the previous year. There were also exported 333,282 head of cattle, against 308,463 in 1906; 344,315 sheep, against 343,387; 257,450 pigs, against 244,307; and 10,615 horses, against 11,222 in the preceding year. The principal articles showing increases, in tons, were as follows: Aerated waters, 282; biscuits, 81; butter, 1,023; eggs, 1,784; grains, 5,118; hay, 3,440; scrap iron, 5,204; artificial manure, 1,535; oats, 1,153; porter, 6,316; potatoes, 598; and whisky, 250. The leading items showing decreases were : Bacon, fish, and milk, the quantities being 65, 1,028, and 743 tons, respectively.

CLASSIFIED EXPORTS TO THE UNITED STATES.

The value of exports declared at Dublin to the United States during 1907 was $1,339,408, against $1,159,236, and $1,135,920 for 1906 and 1905, respectively. The leading items were:

Articles.	1905.	1906.	1907.
Books	$984	$2,508	$1,193
Breadstuffs:			
Biscuits	432	1,636	3,348
Oatmeal	11,978	11,270	12,579
Feathers	5,140	24,108	30,860
Hides	103,891	58,594	8,176
Hosiery	1,948	2,033	1,779
Household effects	30,352	3,289	5,609
Lace goods	10,850	21,007	26,151
Mineral waters	235,467	255,223	264,876
Oil, fusel	978	288	1,054
Pipes, tobacco	13,344	16,133	12,780
Skins:			
Calf	14,311	25,064	28,696
Rabbit	2,175	2,505	12,590
Other	3,638	.....	333
Sausage casings	7,994	8,115	1,314
Spirits, wine, and malt liquors:			
Ale	59,788	59,162	92,850
Gin	9,705	11,306	12,810
Whisky	38,405	48,569	63,562
Wine	19,448	24,813	14,623
Stout	538,247	562,478	726,631
Other	146	292	657
All other articles	26,699	20,843	16,937
Total	1,135,920	1,159,236	1,339,408

AGRICULTURAL CONDITIONS.

From the returns issued by the department of agriculture for Ireland on the state of acreage, produce of crops, and numbers of live stock in Ireland in 1907 the following data is taken:

The net area of lands under crops decreased, since the year before, by some 88,449 acres. There was a decrease of 14,352 acres in corn crops, 30,716 acres in green crops, and 48,698 acres in hay. As against these decreases there was an increase of 4,470 acres under flax and 847 acres in fruit tillage. The total net decrease in the area under corn and green and flax alone in Ireland in 1907, as compared with 1906, amounted to 40,598 acres, or 1.7 per cent of the total area under these crops.

The yield of potatoes fell from an average of 4.3 tons per statute acre in 1906 to 3.8 tons in 1907, and was considerably below the rate for the ten years preceding—4.1 tons. The area under potatoes in 1907 was 590,998 acres, as compared with 616,107 acres in 1906. The total yield of potatoes in 1907 was estimated at 2,246,488 tons as compared with 2,660,581 tons in 1906.

The figures as to live stock, which show decreases, were: Horses, 8,269; mules and jennets, 1,176; asses, 6,129; goats, 19,995. The increases were: Cattle, 37,569; sheep, 101,777; pigs, 72,875; and poultry, 5,350,197. The total number of poultry in Ireland in 1907 is estimated at 24,326,995.

MILLING INDUSTRY—OPPORTUNITY FOR SALE OF SHOES.

Considerable advance has been made by the Irish milling industry in flour production, and if trade figures are to be accepted a distinct falling off has taken place in the imports of American flour. The claim has been widely advertised that the Irish flour is infinitely superior to any American or other flour; and as no denial or proof by way of denial has appeared the public seem to have accepted the unqualified statement of the Irish millers. A splendid market for the American product may be lost unless an immediate campaign is directed against this claim.

With regard to American leather and shoes, the material is claimed to be of poor quality and unsuitable for the moist and continued wet weather in this country. Here, then, is an opportunity for American shoe manufacturers to institute a campaign which will prove conclusively the superiority of their shoes in all weathers. It would seem that American shoes are purchased only because of the smart last which gives them an appearance which the home product fails to provide.

Exhibition and demonstration of American superiority in manufactures is much needed in this country, and such demonstration and constant vigilance is the only means of competing with the local trade methods.

AGRICULTURAL MACHINERY—BREWING INDUSTRY.

There is no doubt that scientific farming is on the increase. Irish farms are small, and such implements and machinery suitable for farming should be inexpensive and adapted for hilly country. Several Irish firms are doing a fair business in this line, but there is, nevertheless, a good opening for cheap, labor-saving farm machinery and implements.

Excellent beer, ale, porter, and stout may be had in Dublin, as elsewhere in the island, and as the price at which the local product is sold is very reasonable, there seems to be little opportunity for the introduction of foreign beers, especially at prices which would prohibit consumption. The same holds true of whisky. Probably a small market could be developed for American champagnes and California wines. Australian wines are sold successfully in competition with continental products, due largely to a slightly lower price placed upon them.

A moderate increase in the use of canned articles is apparent, though the slump of two years ago is put slightly improved in the matter of canned meats. The Limerick meat canners seem to be doing a prosperous business. One American firm advertises largely on the street cars and public billboards, and its products compete successfully with those of several large British jam and pickle companies.

ELECTRIC POWER FROM PEAT—WIRELESS TELEGRAPHY.

There is under way a proposal to utilize the peat from the bog of Allen for the generation of electric power to supply the counties of

Kildare, Dublin, Kings, and Queens. The production of electric power by means of coal involves an expenditure in fuel of from three to four times what the expense would be in the utilization of peat. The advantages claimed for the scheme are: (1) Cheap navigation of the Grand Canal by means of trolley system; (2) cheap power for manufacturing purposes; (3) cheap power for transportation and railway companies. The electricity is to be generated by gas engines using peat fuel. The cost of the installation is estimated at about $1,000,000, but the complete plant with trunk mains will cost about $3,000,000.

The long-distance wireless telegraph station at Clifden, in Connemara, communicating with Glace Bay, in Nova Scotia, was, in October, 1907, so far completed as to admit of its being opened for a limited press service, and in February, 1908, the stations were opened to the public for the transmission of messages between London and Montreal at an inclusive rate of 15 cents per word. A considerable amount of business has already been transacted by means of these stations. It is expected that eventually, with the installation of further machinery and apparatus, and the working of four instead of two stations, the rate per word will be reduced to 8 cents.

TONNAGE OF THE PORT—HOW TO SECURE TRADE.

The tonnage which entered the port of Dublin for the year was 2,056,942 tons, being 10,967 more than in 1906. The registered tonnage from continental and other over-sea ports showed a decrease of 9,919 tons; sailing vessels an increase of 1,210 tons, and steamers a decrease of 11,129 tons. In the coasting and general cross-channel trade the tonnage of steamers increased 12,252 tons and sailing vessels decreased 2,825 tons. Steam colliers increased 11,825 tons and sailing vessels (colliers) decreased 366 tons. The receipts from tonnage rates, exclusive of net rates, were $297,125, being an increase of $365 over 1906. The receipts from net rates were $42,158. The receipts from rates in respect of goods were $40,041.

American manufacturers must not take it for granted that the mere shipment of an order will suffice to create further sales in Ireland, as industrial activity has become very keen. Whatever manufacture the Irish engage in they do very well and create a product that will stand the test; that product is always first class, and if American manufacturers and exporters hope to retain or gain this particular market they must familiarize themselves with these home products and compete with them at lower prices.

SCOTLAND.

DUNDEE.

By Consul John C. Higgins.

The past year opened under brighter auspices than had been experienced for some years previously. The former one had been a year of great business activity, and many contracts still unfulfilled assured abundant work for some months to come. High prices ruled for fabrics, which allowed a fair profit, notwithstanding the excessive rates at which all classes of jute were standing. In all sections of the jute industry the year was one of profitable trade, but in the case of those engaged in the spinning branch it was unquestionably

above average. A healthy tone prevailed well on into the year, and gave evidence of continuation until the last three months, when the effects of the money crisis in the United States began to be felt. Then a marked change took place in that trade. In a great many cases American importers cabled instructions to stop further shipments, with the result a vast diminution in volume was recorded in the exports for the closing months of the year. Money stringency in this country also operated in retarding home trade, which completely fell away, so that it became necessary, especially in linen manufacturing centers, to resort to short time.

Labor troubles were almost entirely absent. A demand early in the year for an increase of wages was met by an advance of 5 per cent, which was accepted by the employees. A strike among the bleachfield workers caused much inconvenience during the three months it lasted, but the employers were firm and the workers ultimately surrendered.

EXPORTS TO THE UNITED STATES.

The value of exports declared at Dundee to the United States during the past three years was as follows:

Articles.	1905.	1906.	1907.
Bagging	$370,876	$696,703	$806,762
Bags	14,883	40,317	37,474
Burlaps	4,480,510	5,361,276	4,792,616
Carpeting, jute	21,915	15,273	12,856
Cottons	14,826	18,665	17,611
Duck, sail	17,561	46,363	38,041
Flax and tow	118,244	72,375	314,196
Gage glasses	40,709	42,928	47,040
Jute	56,139	54,632	167,189
Leather	20,947	6,188	6,261
Linens	1,353,262	1,158,267	1,217,635
Linoleum		9,888	39,296
Machinery and parts	37,720	39,901	50,282
Mica	17,980	20,305	5,123
Paddings	701,192	930,578	860,848
Paper stock	77,632	85,879	100,678
Preserves	43,090	52,225	33,281
Skins, undressed	16,745	317	26,480
Whisky and spirits	209,116	226,543	223,993
Wool and hair	472,947	361,897	200,902
Yarns	251,383	416,801	547,686
All other articles	31,395	94,968	96,032
Total	8,369,072	9,752,289	9,642,282

ABERDEEN AGENCY.

By Consular Agent William P. Quann.

Aberdeen, the commercial capital of the north of Scotland, although a very ancient city, has gained its greatest development during the past twenty years. Its population in 1885 was 115,217, but according to the latest estimate of the register general, in June, 1907, it was 174,579, showing an increase of 51.52 per cent.

This remarkable growth is due mainly to the development of the fishing industry, by the introduction of steam trawlers and steam drifters. The citizens of Aberdeen, recognizing the great possibilities the city possessed as a fishing center, freely invested their capital and energy in the enterprise, so that it is the second largest fishing port in the United Kingdom. The quantity of fish of all kinds brought into this market in 1906 amounted to 107,398 tons, valued

at $4,806,825. The principal other imports were boats, timber, cattle, sheep and pigs, flour and breadstuffs, ale, beer and porter, salt, granite, esparto grass, cement, iron, linseed, cotton seed, and rape seed.

The tonnage of traffic handled at the harbor in 1906 amounted to 1,368,652, being an increase over the preceding year of 17,534 tons. The registered tonnage of ships arriving in 1906 was 1,529,630 and not one was an American vessel.

EXPORTS TO THE UNITED STATES.

The value of the articles declared for export at Aberdeen to the United States during 1905, 1906, and 1907 were as follows:

Articles.	1905.	1906.	1907.
Combs	$50,976	$57,837	$56,122
Fertilizer	20,402	11,262	10,429
Fish	651,670	695,453	753,739
Glycerin	.....	.....	10,685
Granite	109,794	134,348	161,045
Iron sand	37,461	32,837	30,089
Linens	8,417	5,050	22,748
Paper	18,472	15,984	12,221
Whisky	32,546	25,831	23,003
Woolens	21,469	21,876	21,901
All other articles	32,989	17,113	12,064
Total	964,196	1,017,591	1,114,046

DUNFERMLINE.

By CONSUL JOHN N. MCCUNN.

The year 1907 was very disappointing to Dunfermline linen manufacturers. The first half of the year there was some business doing, but it gradually fell away toward December until it almost got to the vanishing point. For the first six months there was a general scramble not only to get orders placed for yarns but to try and secure delivery. Toward the end of the year, with fewer orders for cloth, the yarns gradually became more plentiful and manufacturers could rely on getting delivery much quicker. The prices of yarns at the beginning of the year advanced until about the month of June, when they got so high that the manufacturers as a rule closed their order books. The spinners, however, had by that time booked very large quantities into 1908, so that their position was assured. Manufacturers, on the other hand, tried to get their prices up on an equivalent with the spinners, but in this they failed.

A PROSPEROUS COAL TRADE.

Throughout the year the coal trade of Fife was exceedingly prosperous. The greater percentage of the coal trade of this district is on foreign account, with the result that contracting is very extensively engaged in. Most of the contracts for 1907 were fixed in October and November of 1906 at prices about 36 cents per ton higher than the prevailing prices earlier in the year.

The total annual output of the Fife mines in 1874 was 1,390,678 tons; in 1897 it reached 4,152,173 tons; and the estimated output for 1907 is upward of 8,000,000 tons.

During the entire year a steady demand for Fife coal prevailed, but from July till the closing days of September the pressure was extreme, taxing the docks at Burntisland and Methil as well as the colleries to their very utmost. There were 5,415,000 tons shipped from Fife ports in 1907, a gain of 216,214 tons over 1906. The real increase, however, is much greater, as about 500,000 tons of the shipments for 1906 were taken from stock.

Sweden, Germany, Norway, Italy, and Austria are greatly increasing their purchases of Fife coal; on the other hand, Denmark, France, and Russia's purchases are falling off, and the trade with Holland, Belgium, and Spain, which is merely nominal, shows no tendency to increase. With increased shipments and high prices the colliery companies must have reaped a rich harvest on the year's business.

EXPORTS TO THE UNITED STATES.

The value of exports declared from Dunfermline to the United States during the year 1907 amounted to $1,785,966, consisting of the following articles:

Articles.	Value.	Articles.	Value.
Cottons	$142,794	Unions	$1,141
Linens	1,641,301	All other articles	135
Rubber, old	406		
Tea pots	189	Total	1,785,966

CONDITIONS AT KIRKCALDY AGENCY.

The linoleum works at Kirkcaldy were busy during 1907, and last spring saw a substantial advance in prices, though it was some time before this took effect, as contracts at the old prices had to be completed. Previous to this, considerable cutting in prices had taken place, in spite of large rises in the price of raw material. The principal items of expense forming the component parts of linoleum are jute, cork, linseed oil, and rosin.

The cork for the linoleum industry is chiefly obtained from the forests of Spain and Portugal, and also, to a lesser extent, from Algeria and Russia. Rosin is obtained from the United States. Linseed oil comes from Russia, India, the United States, Argentina, etc. Kauri gum is also employed to some extent in the manufacture, and is obtained from New Zealand. Orders for linoleum were plentiful during the past year, a considerable number coming from the United States.

Cork carpet is exactly the same mixture as linoleum, but the cork for this material is not ground so finely, and consequently gives a more spongy and springy effect to the completed article. The cheaper classes of linoleum sell best with variegated patterns, but when plain, single colored linoleum is wanted the preference seems to be for the better class of goods. There are now great varieties of single colors and all sorts of patterns and designs, the more recent being imitated from Brussels and Turkey carpets, in many cases so well that a slight distance it is hardly possible to detect the difference.

FLAX SPINNING, LINOLEUM, AND LINEN INDUSTRIES.

The linoleum industry gives employment to about 3,000 to 3,500 hands, and a small factory has recently been started at Falkland, about 12 miles distant. There is also a factory at Newburgh, and one was lately started in Dundee. The workmen's hours are 56 per week. The large mass of the employees are ordinary laborers, whose wages average from 18 shillings ($4.38) to 20 shillings ($4.87) per week. The skilled hands are foremen, who earn from 40 shillings ($9.73) to 50 shillings ($12.16) per week, and hand printers, whose weekly wage is about 28 shillings ($6.82), though most of them are on piecework, and then their earnings are above that figure. Tier boys assist the printers and earn 8 shillings ($1.95) to 9 shillings ($2.19) per week.

An endeavor is being made to introduce wood pulp to take the place of the ground cork used in the manufacture of linoleum. As yet, however, not a great deal of this is being used. If it is found that this wood pulp is satisfactory in linoleum manufacture, it is thought it will be more suited for inlaid linoleum than for the ordinary kind, on account of the color of the wood pulp being whiter than the ground cork.

Flax spinning was very active last year, and there was a large rise in the price of yarns between October, 1906, and October, 1907. This rise was due to the extra demand for yarns and not to any shortage of flax, as the crop was a very good one.

Linen manufacturers were busy, and although they have orders on their books, but have received advices from the United States not to forward goods in the meantime. The result was that in many cases the works were operated on short time. Yarns are so dear that linen manufacturers are evidently not inclined to keep their looms going merely to accumulate stock.

HARBOR EXTENSION.

The Kirkcaldy corporation has resolved on further extension of the harbor. The main pier was recently extended seaward for a considerable length, and a commencement has been made with a corresponding breakwater or pier to meet this extension and a further considerable enlargement of the wet rock area. The harbor, when extended, is intended to meet the requirements of general mercantile traffic, and will not be adapted as a coal exporting depot.

In the surrounding district, however, there is continuous and rapid development of the coal-mining industry. A large colliery owner is enlarging the harbor at West Wemyss, so as to provide additional accommodation for the smaller coaling coasters. At Methil, which is now a very large coal port, a bill has been secured for considerable extension, which it is believed will cost about $2,433,250.

The exports declared from the consular agency at Kirkcaldy to the United States in 1907 were valued at $1,119,688. The leading items were: Linoleum, floor cloth, cork carpet, etc., $734,992; linens, $356,967; cotton and linen combined, $7,523; cottons, $6,876; bleached linen yarn, $6,560; and jute, $1,430.

EDINBURGH.

By Consul Rufus Fleming.

For the greater part of last year the industries of this district were fully employed. It was, on the whole, a prosperous period for iron and steel producers, electrical engineering firms, yacht builders, brass founders, woolen manufacturers, and the majority of other manufacturing concerns, notwithstanding the higher prices of fuel increased the cost of production. Coal advanced about $1 per ton as compared with 1906, and as coal is a dominating factor in the production of iron and steel, manufacturers were compelled to advance their prices. In the early autumn prices reached their apex, and at that time steel and iron manufacturers were heavily contracted. Meanwhile trade conditions had undergone considerable change in the United States and on the Continent of Europe, and the influence of this was at once reflected in the position of British manufacturers. At first gradual, the pace in the direction of adverse conditions became so pronounced toward the end of the year that, despite heavy contracts, short working time was common with the most successful of the steel-producing concerns, and latterly more than one had to suspend operations for a time.

INDUSTRIAL CONDITIONS.

The mineral oil industry was notably prosperous. Production increased, and the prices of the various products, burning oil, naphtha, gas oil, paraffin wax, and sulphate of ammonia, advanced. The price of sulphate of ammonia was fairly steady, and indications are of an upward tendency on account of the trouble which has arisen in South American nitrate fields. The feature of the market for this product for some years past has been the growth of the demand from Japan.

The 150 distilleries in Scotland produced 24,839,870 proof gallons of whisky, or 1,270,031 more than in the previous year. Prices in this trade were well maintained. The brewing industry was affected somewhat seriously by declining orders and falling prices. The flour millers of this city and county had an average year, producing about 850,000 sacks.

The only departments of industry of which there was any material extension were coal mining, the manufacture of electrical machinery and fittings, and woolen manufacture. These lines of production developed to a greater extent than for any period of twelve months in the last decade. Coal mining was stimulated by a strong demand from the Continent of Europe and a consequent rise in the market value. The output of coal in this district was largely increased by a combination of coal-mining companies, leading to greater efficiency in the management of the various collieries with a considerable reduction of expenses. The woolen mills in South Scotland were almost unprecedentedly active until September, when they experienced a comparative shortage of orders on account of the financial depression. At the end of the year they were rapidly recovering from this difficulty. The hosiery trade had a record output in 1907. Some of the manufacturers installed new machines and appliances to meet the extraordinary demand. Electrical engineering establishments had an unusual amount of business on their books at the beginning of the year, consisting principally of foreign orders, and the demands upon these concerns necessitated, in some instances, an extension of plants and of mechanical facilities.

JOINT STOCK COMPANIES—RAILWAY POOLING.

The number of joint stock companies organized in 1907 was 313, with an aggregate capital of $53,345,403, which is regarded as a fairly trustworthy barometer of general trade conditions in Scotland, although they are, as a rule, merely flotations of existing firms or companies.

In December last two of the leading railway systems in Scotland, the Caledonian and the North British, entered into a pooling arrangement by the terms of which the business of competing lines or routes is to be shared equally. Already certain return journey fares have been advanced, and there has been a slight restriction of the train service. It is not yet known to the public whether or not any changes will be made in freight rates on the routes heretofore competitive. The extension of street car lines in the district in 1907 was unimportant, not more than a mile and a half altogether. The total length of double track in the county of Edinburgh is less than 50 miles.

PRICES RULED HIGH—IMPORTS OF CEREALS.

An outstanding feature of the local markets was the enhanced prices of commodities, reflecting the general rise on the Continent and in the United States. Fuel, grain, foodstuffs, and nearly all manufactures ruled higher than for many years, until the closing two months, when there was a general decline, reflecting the decline in America. The fluctuations in the prices of wheat during the year were noteworthy. The year's imports into Leith, of the principal cereals, were as follows:

Kinds.	1907.	1906.
	Bushels.	*Bushels.*
Wheat	4,069,600	4,692,600
Barley	3,147,200	3,565,600
Maize	3,426,400	2,336,000

Meats, fresh, cured, and canned, were not advanced to any considerable extent over the prices of 1906, but all canned fruits and other canned goods, as well as fresh fruits, were somewhat higher. Coal was remarkably high. Manufactured articles in general, European and American, were high in price. Wholesale dealers express the opinion that prices had been too low, and that the marking up of manufactures last year was an effort to obtain fair profits, although in some instances it was overdone.

AMERICAN TRADE IN EAST SCOTLAND.

The volume of imports into this district from the United States in 1907 was fully up to the average, and it is estimated that the total value was greater than for any previous twelve months. Grain, flour, timber, and lumber are all imported direct, but American manufactures, for the most part, come into east Scotland by way of London, Liverpool, and Glasgow.

In heavy machinery, aside from agricultural, the principal American sales were made to the printing trade, boot and shoe making concerns, and yacht builders. American machine tools for wood turning and other purposes continued in favor, but the use of such machines in this district is limited. In the general line of tools and implements American trade last year was moderately good. In this market there

is never any question about the quality of these goods; that can always be relied upon; only prices affect sales. A rise of from 6 to 17.5 per cent in the export prices of planes, pitchforks, handles, and a few other articles reduced sales considerably in 1907. There was no material increase in the prices of saws, axes, and hammers. Carpenters' and cabinetmakers' tools, with some exceptions, advanced 10 or 15 per cent during the last two years. In the opinion of wholesale dealers here the advances have affected the German trade rather more than the American. The higher German and American prices have enabled British makers to gain a stronger position, especially as to the cheaper wooden planes. American metal and wood planes, 18-inch, have a fair sale. British manufacturers are now making a fine quality of metal plane in two sizes, 10-inch and 18-inch. There is a constant market for these tools among first-class carpenters and cabinetmakers. For this trade, I am told, American manufacturers are practically not competing. American engineering tools are in strong favor and sales in 1907 were satisfactory. The sales in this line of tools were better than in other lines, owing to the depression for two or three years in the Scottish building trade. Among American specialties which have been selling well are a chain-pipe vise and several thread-cutting tools. American wood pulleys have been displaced to some extent by German makes. It is contended by dealers here that American makers were neglecting the important matter of giving the pulleys a trim and finished appearance. American files do not sell as freely as they once did, owing to keener competition from Sheffield.

MOTOR CAR SALES AND MOTOR BOATS.

Although weather conditions were decidedly unfavorable, 1907 was a record year both as to number and value of motor cars sold. In this trade six makes of American cars were represented. Only two of these were previously in this market. The local demand was principally for medium-priced, durable, and reliable cars. Four-cylinder machines of from 20 to 30 horsepower were generally preferred. Since 1905 the automobile trade has developed rapidly, and the average value of cars sold has gradually increased. Local agents of American makes are getting no small share of the trade. Some of the higher grades of American cars were exhibited in the January, 1908, show of the Scottish Motor Trade Association in Edinburgh, attracting general attention and leading to practical results of much importance. American cars of the first class having got permanently into this part of Scotland, the probability is that they will make a good showing in competition with the British, French, and German machines. Motor vehicles for goods and passenger carrying purposes have grown somewhat in favor. Practically all of these vehicles in use are of British manufacture.

Both pleasure boats and fishing boats propelled by motors have yet to find acceptance here on a profitable scale. Climatic conditions are against the comparatively expensive craft for pleasure purposes, even on the inland lochs; and, moreover, the Firth of Forth is rarely quiet enough to induce anyone to venture far outside of a harbor in a small boat unless in pursuit of business or other important object. Two or three American motor pleasure boats in use on inland waters in this district, for hire, have given entire satisfaction to their owners. In the fishing industry there seems no reason why marine motors should not supersede sails and ample reason why they should.

But British and American efforts to that end have had little effect in the fishing communities on this coast. This may be accounted for partly by the fact that for several years there has been a decided tendency toward concentration of the fishing industry in the hands of companies operating large steam trawlers.

BUILDERS' HARDWARE—PREFERENCE GIVEN TO AMERICAN SHOES.

American trade in builders' hardware has not increased. In style and general qualities these articles commend themselves, but extra strength is required, as houses in Scotland are built to last indefinitely. English and Scottish firms manufacture special articles for this market. The American padlock has long been a popular article. It has withstood a lower priced Belgian imitation, but now English firms have imitated it with some success and are underselling the American makers.

American trade has made no material advance against the competition of English and Scottish manufacturers in electric fittings. It would seem that American designs, especially novelties, should have a wider sale if the proper efforts were made to push them. Catalogues and price lists will not serve to establish or extend a trade in any kind of goods.

In boots and shoes at $3 and $4 and upward there was a steady increase of sales. American shapes are generally preferred by the purchasers of moderate-priced and high-priced footwear, and British manufacturers have been for years putting on the market boots and shoes made on American lasts. It is only upon close inspection that the difference between some of the British makes and American goods can be discovered. Undoubtedly there would be a still wider sale of American boots and shoes if cause of complaint did not exist as to the sole leather used by two or three manufacturers who export to this market. In this wet country only the best leather will give satisfactory service. For several years the sale of American rubbers has been increasing. The light-weight rubbers are popular. There were large sales last year of the kinds retailing at 50 and 60 cents per pair.

DEMAND FOR FURNITURE, AGRICULTURAL IMPLEMENTS, ETC.

Bookcases, filing cabinets, and roll-top and sliding-top desks are the principal articles of American furniture sold in this part of Scotland. There was a demand for American bedroom suits in west Scotland, but as a rule the styles are not suited to this district, where the preference is for plain furniture, heavy and rich in appearance. It is noteworthy that in this trade especially, and in all other trades to some extent, buyers always prefer homemade goods on equal conditions. Foreign articles can only find a market if better than the homemade or if equally suitable and considerably lower in price.

Sales of harvesting machinery were above the average year, and there was the usual demand for various implements. The prospect for the 1908 season is excellent, especially for harvesters. A minor but not inconsiderable advantage to this trade is the reduced price of binder twine.

American lid lifters, patent coffee pots, and a variety of utensils for the kitchen and dining room are in the market. These, with carpet sweepers and lawn mowers, gained a larger commercial importance last year. American tin and brass goods are but meagerly represented at present.

TYPEWRITERS, HABERDASHERY, AND RAZORS.

With two or three exceptions the typewriters in demand are American machines. Local agents of the American makes say that the trade during the last twelve months was highly satisfactory. This applies to machines of the first class, having the latest improvements. This market is an expanding one, as the smaller shopkeepers are now adopting the typewriter, and in the opinion of leading agents the outlook for trade is excellent. As yet there has been no serious competition with American high-grade typewriter paper.

American goods in the haberdashery line handled by local dealers consist chiefly of suspenders, garters, links, and a few other small wares of the kind. Some of these American-made goods have become staple articles in east Scotland. The sales last year increased as compared with 1906.

In this country comparatively few men go regularly to a barber to be shaved; it follows that the market for razors is important. There is a lively competition among agents for safety razors of various designs, most of which are of American invention and manufacture, and sales of both high-priced and cheaper grades have steadily increased. Last year the trade was much larger than ever before. In the cheaper articles the competition was exceptionally keen. The standard American razors maintained their lead in the market and are not likely to be displaced.

Only a moderate business was done in timber and lumber, owing to the depression in the local building trade extending over two or three years. American doors and sashes are not imported by local firms, but to a limited extent are sold in this district by agents of firms at other ports, coming direct to builders, not to dealers or jobbers.

AMERICAN SALES OF GRAIN AND FLOUR—CANNED GOODS.

While Canada continued to supply the bulk of the hard, spring wheat used by Scottish millers, from the United States came, as usual, the winter wheats. Large quantities of fine malting barley were received from the Western States. There was an active trade in maize, but in the latter part of the year the supply partially failed, owing to the scarcity of the American article. The bulk of the imports from the United States were taken by the large distilling companies, who prefer this grade of maize to any other, whereas the maize for ordinary feeding purposes was supplied by Argentina and south Russia, particularly the latter. American flour came very freely into the market, although the quantity was barely equal to the imports in 1906.

Last year brought only a slight increase in the consumption of canned meats, excepting tongues. The tongue trade was fairly good; in fact, almost normal. The sales method adopted by some firms proved effective. They fixed the price to wholesale houses at the beginning of the year for certain quantities to be taken during the twelve months, the contracts stipulating that if there should be a fall in the price the firms were to get the benefit of it.

Apricots, peaches, and pears sold freely at advanced prices and against Spanish competition, which would be more serious but for the fine quality of the American fruits. The sales of canned apples were large, although prices were much above quotations for the previous year. Prunes came principally from France, owing to the shortage in

California, and it is expected that the trade this year will be a repetition of last year's experience. Honey was in good demand. The American supply has been running short and honey of what is considered a comparatively inferior quality is now coming into this market from Italy. The trade in evaporated apples greatly declined. For two or three years fresh fruit has been displacing this article. Wholesale dealers in canned fruits foresee a general decline in the sales during 1908. Higher prices in nearly all kinds of fruit, fresh and canned, will, they say, inevitably tend to diminish consumption.

A great variety of proprietary articles of American manufacture are in this market. Trade in 1907 was, on the whole, much better than the average of the last five years.

SALES TO THE UNITED STATES.

Trade in the ports of this district, both outward and inward, was larger than in any previous year. The total values of exports declared at this consulate for the United States were $1,300,881 in 1905, $1,700,759 in 1906, and $1,593,510 in 1907. Noteworthy changes in the values of articles exported during the three years were in sulphate of ammonia, which increased from $87,549 in 1905 to $464,440 in 1906, falling to $439,468 in 1907; wool, which fell from $281,145 in 1905 to $80,351 last year; gelatin, which increased from $116,773 in 1905 to $164,981 in 1906 and decreased to $74,773 in 1907. Agricultural seeds and steel wire showed an important increase, while whisky declined somewhat.

The total values of exports declared at the Galashiels consular agency were $131,847 in 1905, $132,735 in 1906, and $189,061 in 1907. Exports of woolen cloth, other than tweed, increased from $55,712 in 1905 to $91,723 last year.

The value of exports declared at Edinburgh to the United States during the past three years is shown in the subjoined statement:

Articles.	1905.	1906.	1907.
Ale	$22,521	$21,462	$22,833
Biscuits	3,232	2,828	3,609
Books, printed, etc	78,169	101,070	86,477
Bricks, fire	9,594	7,315	16,460
Fertilizer (sulphate of ammonia)	87,450	464,441	439,468
Fish	27,565	29,086	25,608
Furniture	28,874	24,193	26,116
Gelatin	116,773	164,982	74,774
Grindstones	4,387	8,289	20,033
Horn meal	.....	.....	7,307
Iron and steel, and manufactures:			
Hardware	.....	3,744	2,952
Machinery	10,570	3,453	20,453
Pipes	614	2,659	2,484
Wire, etc. (steel)	25,629	22,095	68,799
All other	56,192	44,442	79,271
Maps	3,365	3,438	6,537
Oil, fusel	26,301	16,074	23,630
Paintings, etc	3,966	.....	9,156
Paper and paper stock	8,598	19,324	22,339
Plates, stereotype, etc	1,288	10,583	1,809
Provisions	.....	2,807	5,803
Seeds	6,161	8,394	47,064
Whisky	436,831	410,381	401,782
Wine, etc	11,682	5,681	13,108
Wool	281,145	215,974	80,351
Woolen and worsted goods	12,308	11,286	12,723
All other articles	37,666	96,758	72,564
Total	1,300,881	1,700,759	1,593,510
American goods returned	8,604	2,248	14,755
Grand total	1,309,485	1,703,007	1,608,265

TRADE OF LEITH AND GRANGEMOUTH.

The total trade at the principal ports of the district, Leith and Grangemouth, amounted to $137,706,270. The value of imports was $89,976,013, exceeding imports in 1906 by $2,318,315, and the value of exports was $47,730,257, exceeding exports in the previous year by $8,845,418.

Among the imported articles which rose above 1906 were refined sugar, increasing from $7,434,484 to $8,000,292; butter, from $11,551,094 to $12,301,539; flax, from $1,623,418 to $1,937,198; flaxseed from $310,142 to $453,777; paper-making materials, from $2,537,052 to $2,973,188; maize, from $1,504,126 to $2,374,000, and cotton seed from $728,968 to $795,984. It is noteworthy that cotton seed has increased steadily since 1903, when the value was $333,268.

Wheat decreased from $4,637,035 in 1906 to $4,368,039 in 1907; flour, from $2,947,065 to $2,785,638; linen yarn, from $1,713,961 to $1,300,937; iron and steel, from $3,757,133 to $2,859,122; woolen yarn, from $2,453,440 to $1,624,141; paper (including strawboard), from $2,264,314 to $2,058,111; unrefined sugar, from $3,300,869 to $1,722,658; nitrate of soda, from $801,600 to $447,747.

In the outward movement the increase over 1906 was general. Coal, the leading article, rose from $5,041,961 to $7,910,281; machinery and mill work, from $5,537,736 to $6,442,442; iron and steel manufactures, from $2,384,809 to $2,992,066; and caoutchouc manufactures, $899,665 to $1,095,391.

GLASGOW.

By Vice-Consul Alfred Middleton.

During 1907 the volume of work turned out by most of the plants of the principal industrial and manufacturing concerns engaged in shipbuilding, coal mining, iron and steel making, steel roof and bridge building and engineering was in excess of any previous year, yet there is general complaint, excepting among coal masters, that the net profits realized were in many cases unremunerative and very small.

The year opened with industries, trade, and commerce in a prosperous condition, and the activity continued during the first half; but thereafter it gradually declined until at the end of the year everything was in a state of depression.

Manufacturers in some lines, in an effort to induce greater trade that would keep their works fully employed, reduced their quotations very considerably while they were incurring unusually high working costs for fuel and raw materials. The price of manufactured steel showed a decrease of $4.87 per ton since the beginning of the year and $6.09 from the highest point during the year. Although it was generally predicted at the beginning of the year that the record figures of 1906 (598,841 tons) would not be reached, a prediction which then and even later seemed almost certain to be verified owing to the condition of the shipping trade and continual unrest among the workmen in regard to wages, the aggregate of official returns for 1907 made by the various shipyards on the Clyde shows that 526 vessels were built, of 619,919 tons. This is an increase of 21,078 tons over 1906 and creates a new record.

For this industry the 1908 prospect as viewed from the beginning of the year is very gloomy. Shipowners appear disinclined to increase their tonnage at prices quoted by builders at present, and complain besides that they can not secure profitable freights for the vessels now in service. Government orders for war ships were never more anxiously awaited to keep the shipyards fully employed.

ACTIVITY IN THE COAL AND COKE TRADE.

The year will be entered in the annals of the coal and coke trade, and remembered long, as a period of phenomenal activity. Indeed, there has probably never been a time when coal owners found it so difficult to produce a supply equal to the demands of consumers of all kinds of fuel. With an exceptionally brisk and incessant foreign demand added to home requirements, coal masters had the whip hand and have operated it. Other industrial and manufacturing branches complained that the prices of fuel were unreasonably out of proportion to the prices they have been able to secure for their goods, with the result, they state, that their profits have receded almost to the vanishing point. The average price of coal during 1907 was $1 per ton higher than in 1906, but it is expected that it will gradually decline. Coal miners have shared the prosperity, their wages having advanced by degrees from $1.40 to $1.82 per day. The exports of coal from Scotland during 1907 amounted to 10,146,631 tons against 9,072,115 tons in 1906.

TRADE WITH THE UNITED STATES.

The value of the principal exports declared from Glasgow to the United States for the three years mentioned is shown in the following statement:

Articles.	1905.	1906.	1907.
Books	$40,017	$46,469	$46,994
Brass	42,304	92,741	57,112
Brattice cloth	9,670	21,850	31,660
Carpets, etc	47,885	50,397	94,732
Chemicals	279,380	1,087,040	1,301,290
Coal	23,709	46,113	41,390
Cotton piece goods	1,078,024	1,297,440	2,340,633
Fire-clay manufactures	11,174	10,777	34,904
Fishing tackle, etc	36,074	43,925	51,176
Glue, gums, and paint	38,708	13,359	36,195
Gunpowder, sporting	.....	26,810	51,819
Hemp and jute goods	8,025	8,124	21,976
Herrings	137,504	160,148	241,284
Hides and skins	123,360	237,877	224,480
Horses and ponies	25,815	61,853	24,170
Iron and ironware	14,245	36,226	28,259
Iron, pig	167,725	1,037,152	1,007,073
Leather goods	19,987	23,855	39,685
Linen goods	13,289	26,470	26,277
Linoleum	27,732	36,854	64,481
Machinery, etc	181,229	166,892	202,068
Muslins	341,123	537,682	595,628
Oil, creosote	86,076	156,806	229,940
Paper and paper stock	167,991	182,550	204,813
Seeds and fruits	12,606	16,504	38,610
Thread	246,868	211,868	246,998
Union goods (cotton and wool piece goods)	88,103	130,461	90,381
Wax	18,250	46,351	38,650
Whisky	627,971	720,984	748,562
Wool	1,142,054	1,362,819	975,629
Woolen goods	32,117	119,441	33,653
All other articles	623,811	604,317	354,042
Total	5,712,826	8,622,155	9,524,564

The declared exports from Glasgow to the Philippine Islands in 1905 amounted to $669,563, in 1906, $1,123,096, and in 1907, $1,042,521. The leading articles of exports in 1907 were: Cotton goods, valued at $514,342; thread, $351,624; machinery, $50,713; iron and steel, $42,691; and whisky, $39,235.

WALES.

CARDIFF.

By Consul Lorin A. Lathrop.

The exports of coal from the United Kingdom in 1907 amounted to 63,500,000 tons, an increase of 8,000,000 tons over the previous year. Of this amount, 25,500,000 tons were sent from the South Wales coal fields, 17,350,000 tons being shipped from Cardiff. An additional 6,000,000 tons went into bunkers and coasting steamers. Great Britain has some new competition in distant countries. Natal has become a shipper to South America and in small quantities to India. Australia shipped 2,000,000 tons to China and the west coast of South America, and a similar amount has gone from Japan to Chinese ports and the Philippines.

South America is the most important long-distance market, and there is already speculation in Cardiff as to the effect of the opening of the Panama Canal. The shipments from the United Kingdom to the American hemisphere, the West India Islands, and to Pacific non-continental ports in 1907 was in excess of 4,500,000 tons. The Pacific ports of the two continents took 775,000 tons and the Pacific islands and oriental countries adjacent to the Pacific 500,000 tons. Cardiff shippers do not expect to hold the Pacific trade after the opening of the canal. They anticipate an enhanced competition in the markets of Brazil and Buenos Aires, which took last year 4,500,000 tons from the United Kingdom, most of which came from Cardiff.

The price of coal at the pit mouth is nearly 50 cents a ton cheaper in the United States than in the South Wales coal fields, and f. o. b. prices during the last year were in favor of the United States, but return freights from South American ports give the Cardiff shipper the advantage. In December steamer freights to Buenos Aires and Rio de Janeiro from New York were $3.50, whereas from Cardiff they were $1.81 and $2.30, respectively. A Cardiff steamer returning with wheat from Buenos Aires can pay on a round trip freight of $5.10. Such conditions make competition difficult for American coal exporters, notwithstanding other elements in their favor.

Patent fuels are gaining constantly in favor, especially in the Tropics and are now being used to some extent in the British navy. Shipments from South Wales ports for the year reached nearly 1,000,000 tons, an increase of 10 per cent over last year's figures, and prices averaged nearly $4 per ton higher.

DESTINATION OF COAL SHIPMENTS.

The shipments of coal from Cardiff and other Bristol Channel ports and the total shipments from the United Kingdom to the leading

countries during the past two years are shown in the following statement, quantities being given in tons of 2,240 pounds:

Countries.	From Cardiff and other Bristol Channel ports.		Total from United Kingdom.	
	1906.	1907.	1906.	1907.
	Tons.	*Tons.*	*Tons.*	*Tons.*
United States	31,185	37,493	56,179	47,215
Argentina	2,119,667	1,875,466	2,382,897	2,192,198
Bermuda	8,689	13,728	9,031	14,003
Brazil	955,214	1,084,694	1,158,293	1,304,102
British West Indies	49,895	29,925	68,237	42,392
Canada	24,402	6,828	86,982	62,333
Ceylon	306,127	262,665	322,636	269,218
China	8,062	35,331	8,062	35,826
Chile	336,180	543,044	496,868	712,901
Hongkong	57,308	80,486	57,308	80,486
Mexico	23,785	34,366	105,039	70,434
Straits Settlements	100,161	62,331	100,591	64,046
Uruguay	538,696	732,942	647,115	841,679

IRON AND STEEL TRADE.

The year 1907 was a very prosperous one in the iron and steel trade, though shipments to Argentina and British Indies were less than in the previous year. This was to some extent offset by greatly increased shipments to Australia. The imports into Cardiff of iron ore in 1907 were 910,000 tons. The number of furnaces in blast was the same during the entire year, but throughout Great Britain there was a reduction of 50.

The United States continues to be Great Britain's best customer for tin plates, taking in 1907 5,900 tons, a decrease of 2,500 tons from 1906 and 4,000 tons compared with 1905. During 1907 Germany took 41,000 tons, France 26,000, and British East Indies 55,000 tons.

Shipowners had a very prosperous year, notwithstanding high prices for bunker coals. Freights during the year were very good, which resulted in the patching of discarded vessels and in much new construction, but cessation of activity in commerce and industries throughout the world brought a rapid fall in freights, a laying up of surplus steamers, and a bad outlook for the new year. Freights from Cardiff to South America have fallen over $1 a ton, to French ports 25 cents, to Russia half this amount, and to Mediterranean ports by several cents.

DOCK ACCOMMODATION—FREIGHT-CAR DEMURRAGE.

Notwithstanding the opening of a new dock in 1907, accommodation for the immense tonnage which comes to this port is still lacking. The fact is that the coal export of Cardiff is such a rapidly extending industry that only the greatest energy and foresight can keep the dock accommodation up to the requirements of commerce.

An interesting feature in the control of the railroads bringing coals to Cardiff was united action with regard to demurrage. The companies have announced that the charges for the detention of coal cars will hereafter be 36 cents per day after three days at stations and after four days on dock lines, private works, or sidings and that these charges will be generally and strictly enforced. These charges may seem small to American railway managers, but it must be remembered

that the cars here are very much smaller. Something had to be done to obviate congestion of traffic. The question here is full of difficulties, and it remains to be seen whether the new regulation will have any serious effect.

NEW LAW AFFECTING EMPLOYMENT OF SEAMEN.

There were 61,000 seamen shipped from the port of Cardiff during 1907, and 48,000 were discharged, the total number of ships being 7,218.

An interesting factor is the appearance in considerable numbers of Chinese sailors, of whom it is said there are always at least 300 in the port seeking employment. It has been stated that they accept half the wages of European seamen and are less particular as to food. There are seven Chinese boarding houses in Cardiff, and to a considerable extent they have displaced the Italians, Spaniards, and Greeks, who were largely represented here. All these non-British seamen, and especially the Chinese, however, have been affected by the act which has lately come into force requiring sailors shipped on British vessels to have some knowledge of the English language. This law has been the cause of some hardship to foreign sailors who have found themselves unable to get away. It has already increased the local demand for British seamen.

SALES TO THE UNITED STATES.

The value of exports declared at Cardiff for the United States during the years 1905, 1906, and 1907 was as follows:

Articles.	1905.	1906.	1907.
Biscuits	$9,791	$7,447	$9,886
Coal	230,000	62,885	131,315
Ferro-manganese			117,266
Glue			15,825
Paint	1,358	2,143	1,126
Paper stock	590	17,000	13,454
Tin plates	2,254,024	483,145	393,478
All other articles	10,168	2,813	13,045
Total	2,505,937	575,433	695,395

Included in the exports from Cardiff to the United States in 1907 are the returns from the Newport agency, which was abolished February 6, 1907. Prior to that date the shipments from this agency to the United States during the thirty-six days of the year amounted to $32,282, of which $15,925 and $12,207 represented ferromanganese and tin plates, respectively.

SWANSEA.

By Consul Jesse H. Johnson.

During the year ended December 31, 1907, the imports into and exports from Swansea totaled in value approximately $50,500,000. The import trade was only slightly in excess of the preceding year, but the exports show considerable increase. Coal, patent fuel, and tin plates accounted for the latter increase to a great extent. There were 25,000 tons more tin plates shipped during 1907 than the pre-

vious year, and a considerable quantity of this was sent to the Far East, to which markets some huge cargoes were dispatched, occasionally amounting to 5,000 tons.

The new dock, now in course of construction, which will be opened early in 1909, will provide upward of 13,000 lineal feet of deep-water berths, and will be joined by an enormous area of land for industrial purposes. This dock will cost upward of $10,000,000.

IMPORTS AND EXPORTS.

The foreign trade of Swansea, by continents and countries, during 1907 amounted to 4,817,674 tons of 2,240 pounds, of which 499,074 tons were imports and 4,318,600 tons were exports. The coastwise trade amounted to 400,127 tons in imports and 507,298 tons in exports, making a total trade in imports amounting to 899,201 tons and 4,825,898 tons in exports. The foreign trade was distributed as follows:

Continents and countries.	Imports.	Exports.
	Tons.	*Tons.*
North America	67,328	117,556
Channel Islands	1,080	33,843
Turkey, Algeria, Tunis, Egypt, etc	16,366	239,414
Germany, Belgium, and Netherlands	78,497	483,249
Norway, Sweden, and Denmark	26,902	151,523
France	115,811	2,025,192
Portugal	11,014	23,188
Gibraltar, Malta, Canary Islands, etc	.....	2,142
Russia	43,486	49,289
Spain	33,471	198,991
Italy	11,953	718,301
Austria, Greece, and Roumania	14,888	118,281
Cape of Good Hope, Persia, India, etc	18,984	30,733
Straits Settlements, China, and Japan	130	53,888
West Indies	.....	2,492
South America	46,138	70,515
Australia	13,026	3
Total	499,074	4,318,600

The total imports into and exports from Swansea, by articles, during 1907, are shown in the following statement, quantities being in tons of 2,240 pounds:

Imports.	Tons.	Exports.	Tons.
Gas coal, tar, and pitch	51,627	Coal and coke, etc	3,655,050
Copper, lead, etc., with ores and alloys	121,618	Patent fuel (briquettes)	679,002
Zinc, etc	63,009	Copper, zinc, regulus, etc	22,633
Iron ore	47,201	Iron, steel, rails, and castings	38,433
Iron, steel, pig iron, etc	145,255	Tin, terne, and black plates	348,240
Timber and pitwood	156,620	Timber	1,424
Bricks and clay	72,341	Fire clay and bricks	6,646
Sulphur, ore, pyrites, etc	41,029	Alkali, arsenic, etc	37,105
Flour, grain, hay, etc	172,319	Flour and potatoes	18,707
Oils, wool, and tallow	10,551	Wool and bark	4,333
General merchandise	17,631	General merchandise	14,325
Total	899,201	Total	4,825,898

RECEIPTS OF GRAIN AND LUMBER.

The imports of grain into Swansea during 1907 amounted to 95,623 tons, divided as follows: Wheat, 44,306; barley, 16,630;

maize, 23,559; oats, 9,018; beans and peas, 854, and all other grain, 1,256. The countries supplying this grain were: United States, 1,070 tons; Argentina, 32,225; Russia, 14,808; Germany, 10,556; Australia, 8,478; France, 10,232; Belgium, 2,511; Netherlands, 7,145, and other countries, 8,978.

The imports of copper, silver, zinc, lead, and the various ores of these metals were: United States, 7,755 tons; Newfoundland, 20,403; Cape of Good Hope, 18,948; Chile, 12,326; Italy, 11,703; Algeria, 10,004; Germany, 6,917; Tunis, 6,212; Mexico, 8,121; Belgium, 5,287; France, 6,309, and Spain, 4,594. There were also receipts of ores from Sweden, Denmark, Greece, Bolivia, China, and a few other countries.

The receipts of lumber and pitwood were chiefly from France, with 71,771 tons, and from Russia with 28,264 tons. Canada furnished 23,257 tons and the United States 3,611 tons. The imports of mineral phosphates, nitrates, etc., were mostly from Norway and Portugal, these countries supplying 11,871 tons and 10,936 tons, respectively. The United States furnished 2,552 tons.

SHIPMENTS OF COAL—IMPORTANT INDUSTRIAL CENTER.

Of the exports of coal and patent fuel during the year, France led, with 1,989,781 tons, followed by Italy with 683,028 tons. Other leading countries which took considerable quantities of fuel were Germany with 240,117 tons; Algeria, 117,567 tons; United States, 63,285 tons; Austria, 64,308 tons; Brazil, 44,171 tons, and Sweden, 109,039 tons. The United States took the lead in the purchases of tin, terne, and black plates with 39,216 tons. Germany came next with 32,548 tons, followed by the Netherlands with 29,568 tons; France, 26,161 tons; Japan, 24,465 tons; Italy, 22,987 tons; Belgium, 13,977 tons, and Roumania, 13,593 tons.

The exports of superphosphates, arsenic, and oxalic acid, amounting to 20,875 tons, were chiefly to France and Italy with 5,474 tons and 8,679 tons, respectively. The United States took 1,336 tons.

The shipments of fire clay and fire bricks, amounting to 6,530 tons, were distributed among the following leading countries: Italy, 2,228 tons; West Coast of Africa, 1,203; Russia, 485; United States, 659, and France, 423.

Swansea is one of the most important metallurgical centers in the world. It imports ores from all parts of the globe and exports gold, silver, lead, iron, steel, and other valuable metals. Within a few miles radius of Swansea are the following works and factories: Collieries, 250; iron works, 30; tin works, 30; steel works, 4; spelter works, 12; copper works, 20, and besides 40 miscellaneous works for the manufacture of oxalic acid, ferrovanadium, etc.

As regards the imports into Swansea, I would first of all call attention to the fact that not a single American vessel has entered at this port for some years. This is the more remarkable when it is considered that there is a fair amount of trade done between here and the United States. Swansea is connected with five railroads and the exportation facilities are very good. There are regular sailings between here and New York and Philadelphia.

FRANCE.

INTRODUCTION.

A review of the trade conditions in France for the calendar year 1907 shows that that Republic, with an area of 203,687 square miles and a population of 39,252,267, according to the latest census—that of March 4, 1906—is one of the most highly developed countries in commerce and manufactures in the world. Of the 19,000,000 persons appearing in the list of those actively engaged in occupations almost 6,000,000 were employed in manufacturing industries and nearly 2,000,000 in commerce. The manufactures of France are extensive and embrace the most highly developed articles of skill and ingenuity. These are sustained by numerous technical schools supported by the Government throughout the Republic. The exports of manufactured goods in 1907 reached the highest point in the history of the country, the amount being $629,373,000, against $594,247,000 in 1906. The share sent to the United States, including all other French products, nearly all of which, however, were manufactures, amounted to $128,000,000 last year.

France perhaps continues to be the greatest importer of coal in the world, making purchases from the United Kingdom alone last year of 10,694,134 tons of coal, coke, and manufactured fuel. This, in addition to her own production of about 35,000,000 tons, shows a continuous activity in the line of industrial operations, which turns out a higher value of manufactured wares per ton of coal consumed than any other country.

French importations from other countries consist more largely of raw and food products, being in inverse ratio to the export trade. The French purchases of raw materials in 1907 amounted to $748,454,000, against $711,591,000 in 1906, while of foodstuffs the comparative figures were $193,386,000 and $181,420,000. The importations from the United States last year, according to Consul-General Mason, amounted to $122,000,000, against $113,000,000 in 1906. Raw cotton constitutes nearly one-half of the total, while copper constitutes about one-eighth of the whole. However, considerable progress is being made in introducing American machinery in France, the sales there having increased from $8,000,000 in 1906 to $10,400,000 in 1907.

Among the many lines of encouragement which the Government of France offers its citizens for the continued development of the country may be mentioned the bounties. In the estimates for 1908 appear a subvention of $545,048 for encouraging the sea fisheries, $2,024,464 of bounties for shipbuilding, $6,229,020 of bounties for navigation, and $778,640 of bounties for silk spinning. Subventions

are also granted to various colonial railways, etc. The Government is steadily extending the State railways of the country in order to provide every facility for the transportation of manufactured goods and other products, this same object being also fostered by the extension of the canals of the Republic. These are numerous, the object being to connect all the great water basins, and thereby get continuous water communication through the interior and from sea to sea.

France possesses canals having an aggregate length of 3,000 miles in addition to navigable rivers having a length of 5,300 miles. The traffic of the rivers and canals carried 1 kilometer (0.62 mile) in 1905 amounted to 5,085,000,000 metric tons (metric ton=2,204.6 pounds).

The French people will continue to be extensive purchasers of world productions, of which the United States furnishes so large a variety, and should afford an extensive market for not only those comestible articles which this country so skillfully prepares, but for many lines of manufactures in which the United States has been leading.

REVIEW OF TRADE CONDITIONS OF FRANCE.

By CONSUL-GENERAL FRANK H. MASON, PARIS.

In 1907 the foreign commerce of France exceeded in quantity and value the record of any previous year. According to the provisional statistics imports amounted to $1,167,196,064 and exports to $1,069,611,790, making a total of $2,236,807,854, against $2,102,533,894 in 1906, an increase of $134,273,960. These imports and exports for 1907 were divided in respect to classes as follows, quantities being given in metric tons of 2,204.6 pounds:

Classes.	Imports.	Exports.
	Met. tons.	*Met. tons.*
Food products	3,147,331	1,557,488
Raw materials	29,556,277	9,346,603
Manufactures	974,714	1,943,496
Postal packages	.....	25,082
Total	33,678,322	12,872,619

As compared with the foreign trade of 1906, there was, in 1907, an increase of 1,405,193 tons of imports, valued at $81,119,251, and of 1,190,091 tons of exports, valued at $53,137,339. The prosperous condition of French industries is effectively indicated by the fact that of the total increase in imports during the year, 1,245,698 tons, or about nine-tenths of the whole amount, were raw materials.

Notwithstanding the floods which devastated parts of the vine-growing region of southern France, the year was, on the whole, a fruitful one, so that the increased imports of food products amounted to only $11,855,990 in value, and showed in quantity an actual decrease of 6,993 metric tons as compared with the imports of 1906.

ORIGIN OF IMPORTS AND DESTINATION OF EXPORTS.

The geographical distribution of French foreign trade and the relation of the imports and exports of 1907 to those of 1906 are shown in the following table:

Countries.	Imports.		Exports.	
	1906.	1907.	1906.	1907.
United States	$113,463,156	$122,054,551	$77,602,598	$77,593,141
Algeria	47,035,065	57,132,632	68,594,902	73,406,129
Argentina	54,377,557	53,152,007	21,999,877	21,105,129
Austria-Hungary	14,809,855	15,099,548	7,074,608	8,682,105
Belgium	72,763,316	80,633,470	155,327,751	167,014,866
Brazil	24,036,027	22,564,016	10,531,431	12,159,772
Germany	112,595,042	120,806,613	123,569,794	126,752,171
Italy	35,100,717	35,629,344	47,689,142	47,835,822
Russia	58,454,682	53,091,984	12,921,543	11,379,067
Spain	33,045,846	32,245,475	25,279,912	24,487,647
Switzerland	21,125,280	22,301,150	59,593,768	64,941,026
Turkey	22,192,684	21,324,184	11,409,967	11,297,255
United Kingdom	144,400,477	166,484,695	249,784,074	265,362,841
All other countries	332,659,739	364,676,395	145,095,084	157,592,799
Total	1,086,059,443	1,167,196,064	1,016,474,451	1,069,611,790

IMPORTS FROM THE UNITED STATES.

The imports of merchandise into France from the United States during the calendar years 1906 and 1907 were classified and valued in the French provisional statistics as follows:

Articles.	1906.		1907.	
	Met. tons.	Value.	Met. tons.	Value.
Breadstuffs:				
Bran	32,073	$711,784	35,621	$790,528
Flour and grain	169,215	5,282,989	52,919	1,612,515
Caoutchouc	188	417,652	356	695,379
Carriages, carts, etc., including automobiles	188	197,246	280	207,668
Chemicals	5,968	485,588	4,137	383,106
Coffee	967	193,965	1,509	302,817
Copper, raw	36,497	15,496,742	40,476	17,185,878
Cotton, raw	171,246	48,253,667	198,517	55,552,155
Feathers	124	379,824	185	421,126
Fibers	943	181,999	544	104,992
Fruits (table)	4,281	350,295	3,402	285,447
Hides and skins	1,441	804,420	2,043	966,158
Iron and steel manufactures:				
Machinery	31,439	8,044,433	39,905	10,401,156
Tools	1,986	624,355	2,427	761,964
Oils:				
Cotton-seed	30,436	3,674,918	23,209	2,777,077
Petroleum, and products	246,852	6,768,510	272,102	7,598,796
Other	54,880	1,694,733	62,650	1,934,632
Oil-seed cake	19,689	627,057	20,130	641,146
Phosphate, crude	133,837	1,084,853	118,018	956,701
Provisions:				
Fats, animal	14,709	2,425,238	17,043	3,038,978
Meats	1,286	792,844	2,387	989,897
Seeds, oleaginous, etc	9,579	577,070	2,718	168,875
Skins, tanned	537	1,422,217	498	1,118,242
Tobacco, leaf	14,827	3,176,394	12,922	2,762,199
Whalebone	26	300,308	22	248,970
Wood, and manufactures:				
Common	137,327	4,188,486	173,599	4,982,102
Foreign	6,452	245,496	4,521	174,086
Manufactured	3,144	331,574	3,980	424,600
Wool	767	331,381	52	22,388
All other articles	.....	14,397,123	.....	4,544,974
Total	.....	113,463,156	.....	122,054,551

EXPORTS TO THE UNITED STATES.

The merchandise exported from France to the United States during the past two years was classified and valued in the French provisional statistics, and is shown in the following statement:

Articles.	1906.		1907.	
	Met. tons.	Value.	Met. tons.	Value.
Antiquities	.....	$549,278	.....	$412,248
Automobiles	1,205	2,325,071	1,087	2,118,103
Clothing, lingerie	345	3,369,780	222	1,503,470
Copper	1,094	464,551	354	150,347
Cotton goods	2,547	15,224,419	2,749	12,888,133
Crockery and glass	6,935	1,603,251	9,851	1,723,104
Drugs and medicines	1,411	572,824	1,273	658,516
Feathers (dress)	309	1,668,678	328	1,839,097
Fish, preserved	2,415	871,974	2,008	934,120
Flowers, artificial	.....	1,835,816	.....	2,171,443
Fruits	3,182	348,365	7,252	858,850
Glycerin	4,731	739,576	5,889	920,610
Goldsmith's ware	a 461	796,704	a 176	306,484
Hair, crude	584	697,335	890	490,220
Hides and skins	9,572	4,803,963	8,136	3,777,010
Leather manufactures:				
Gloves	280	4,538,009	263	4,255,650
Other	181	687,080	106	385,228
Oils, volatile, including essences	3,172	1,996,428	3,554	1,930,216
Paper, and manufactures	1,820	597,721	2,176	813,109
Pearls	a 183	480,184	a 181	474,780
Rags	7,622	776,632	13,858	1,381,301
Parisian novelties	1,164	1,778,881	1,244	1,769,038
Seeds	1,716	463,393	2,096	640,014
Silk goods	1,101	12,508,523	1,259	16,398,052
Silk and chappe	283	1,687,592	6	45,741
Skins, dressed	124	326,942	312	698,660
Tools and hardware	329	393,913	517	542,523
Vegetables	2,047	308,993	2,867	444,093
Watches and clocks	.....	151,891	.....	235,074
Wine	b 798,072	1,526,473	b 851,506	1,782,356
Wool	849	576,877	436	296,448
Woolen goods	1,777	3,429,031	1,863	3,543,287
All other articles	.....	9,592,450	.....	11,305,817
Total	.....	77,602,598	.....	77,593,141

a Pounds. b Gallons.

DISCREPANCIES BETWEEN PROVISIONAL AND CORRECTED FIGURES.

The foregoing are French statistics, as published provisionally by the Government in the December number of the "Documents Statistiques," issued by the department of customs soon after the close of the calendar year. They are given in this report because they are the only official statistics of the kind that will be available before October, 1908. In respect to classification and to the weight and quantity of merchandise imported and exported these figures, being derived from the records of the custom-house, bills of lading, etc., are doubtless sufficiently correct for practical purposes; but, as has been previously explained in these reports, the values given are merely estimates, made by a commission which fixes an arbitrary price per ton or 100 kilos (kilo=2.204 pounds) for each class of merchandise, and thus, from the totals of weight and quantity reported by the customs department, derives a theoretical guess as to values. These provisional estimates are uniformly quite below the corrected figures, and therefore can not be accepted for exact statistical purposes.

To illustrate these variations it may be stated that at the close of 1906 the estimated values of exports and imports for that calendar

year were published as follows: Imports $1,009,197,000 and exports $973,299,000, total $1,982,496,000, and they were so stated in the annual report from this consulate; but when the revised statistics appeared in October, 1907, they gave the foreign commerce of 1906 as follows: Imports $1,086,059,443 and exports $1,016,281,451, total $2,102,533,894, thus showing a difference of $120,037,894 between the provisional and the corrected statistics for a single year. Even the latter, at least in respect to French export trade to the United States, are far below the actual values of the merchandise exported.

According to the figures above quoted from the "Documents Statistiques" the total value of French exports to the United States during the year 1907 was 402,037,000 francs, or $77,593,141. The corrected statistics, to be published next October, may increase this amount to $80,000,000.

But according to the accurate statistics derived from the declared values of merchandise covered by invoices authenticated and recorded at the American consulate in Paris, the exports from this district alone, which includes the city of Paris and 8 of the 86 Departments of France, have been, during the past six years, as follows: 1902, $41,353,108; 1903, $40,044,876; 1904, $40,910,478; 1905, $41,804,687; 1906, $59,295,324; and 1907, $63,266,473.

This shows for 1907 an increase of $3,871,149 over the record of 1906, which had been previously the year of largest shipments to the United States.

Consular statistics of exports are based upon the values declared by shippers, who, knowing that their goods will be in most cases subject to ad valorem duties, are constrained by their own interests to make such valuations conservative and accurate.

VALUE OF EXPORTS TO THE UNITED STATES, BY DISTRICTS.

The total exports from France to the United States during the past two calendar years, as shown by the sums of invoice values declared in the 15 American consular districts in this country, present the following exhibit:

Consulates.	1906.	1907.	Increase (+) or decrease (−).
Paris	$59,295,324	$63,266,473	+$3,971,149
Bordeaux	6,752,700	7,524,954	+ 772,254
Calais	9,119,106	8,775,353	− 343,753
Grenoble	3,139,248	2,957,669	− 181,579
Havre	2,245,321	2,088,403	− 156,918
Limoges	2,175,294	2,191,909	+ 16,615
Lyon	12,468,977	15,646,837	+ 3,177,860
Marseille	8,121,186	8,412,335	+ 8,851
Nantes	986,687	756,439	− 230,248
Nice	1,861,966	1,461,597	− 400,369
Rheims	7,174,043	6,926,701	− 247,342
Roubaix	2,540,241	2,634,860	+ 94,619
La Rochelle	1,340,963	1,403,502	+ 62,539
Rouen	542,452	491,744	− 50,708
St. Etienne	2,180,499	3,524,716	+ 1,344,217
Total	120,244,006	128,063,492	+ 7,819,486

These are the real statistics, made up from the carefully supervised declarations of the owners and shippers of the merchandise, and which are therefore as nearly accurate as export valuations can practically be made. Instead of $77,593,141, as given by estimates of the

French commission for the exports to the United States for 1907, the invoice declarations show an aggregate of $128,063,492, an excess of not less than $50,470,351 over the estimates of the commission. These consular statistics are incomplete only from the fact that they do not include the contents of postal and other packages less than $100 in value, nor the many millions of dollars' worth of clothing, furs, jewelry, and other articles of luxury and taste which were purchased in France by Americans during the same period and taken home as personal effects, in both cases without consular invoices or other form of registration at the consulates.

NAVIGATION STATISTICS.

The total number of vessels that arrived in French ports from foreign countries during 1907 was 27,635, of which 7,717, with a total tonnage of 5,967,682 tons, were under the French flag, and 19,918 vessels, of 20,030,547 tons, were of various foreign nationalities, more especially British, German, Belgian, and Italian. Compared with the record of 1906, the above totals show an increase of 650 vessels and 2,217,285 tons during the year, which shows that the size and tonnage of seagoing merchant vessels is steadily increasing.

The clearance from French to foreign ports numbered 21,637, of which 7,112 vessels, of 5,418,214 tons, were French, and 14,525 vessels, of 14,189,729 tons, were of foreign registry. This shows an increase of 474 vessels and 1,718,503 tons over the record of 1906, so that taken together the foreign commerce of France employed, outward and homeward bound, 1,124 vessels, of 3,926,788 aggregate tons burden, more than the commerce of the last preceding year.

The commerce of the year was divided between the various seaports of France, as is shown by the following table, which gives the number and tonnage of vessels arriving at and clearing from each port in 1906 and 1907:

Ports.	1906.				1907.			
	Arrivals.		Clearances.		Arrivals.		Clearances.	
	Number.	Tonnage.	Number.	Tonnage.	Number.	Tonnage.	Number.	Tonnage.
Dunkerque	1,716	1,631,088	1,067	1,107,202	1,586	1,639,210	1,047	1,143,916
Calais	1,944	782,826	1,717	583,183	1,904	764,984	1,692	576,728
Boulogne	2,020	1,996,212	2,113	1,918,048	2,315	2,343,410	2,282	2,226,050
Rouen	2,066	1,436,303	422	287,100	1,972	1,447,578	407	293,830
Dieppe	1,529	446,740	1,382	336,719	1,482	444,386	1,330	312,218
Havre	2,336	3,064,282	1,578	2,338,472	2,402	3,259,214	1,616	2,412,761
Honfleur	285	104,652	146	24,650	306	116,306	142	24,736
Caen	469	191,451	324	116,090	472	194,345	332	118,143
Cherbourg	809	2,490,421	1,149	2,507,895	924	3,417,226	1,241	3,429,864
St. Malo	720	224,999	646	136,384	787	241,878	693	149,831
Nantes	636	482,583	231	98,242	605	488,627	254	106,480
St. Nazaire	561	597,054	196	211,065	578	627,846	154	188,033
La Rochelle	434	620,568	230	416,885	428	634,066	161	380,465
Bordeaux	1,274	1,116,913	913	677,935	1,376	1,314,052	923	782,349
Cette	684	422,876	588	374,751	634	457,274	575	394,055
Marseille	4,325	6,280,822	4,004	5,697,735	4,470	6,641,812	3,958	5,879,331
Nice	266	127,832	136	51,416	259	133,690	199	77,161
All other ports	4,675	1,548,464	4,068	897,902	4,826	1,679,020	4,483	993,908

PROSPERITY OF THE REPUBLIC.

It is generally recognized that France is at present the most securely prosperous of European nations. Its economic prosperity and the inward flow of wealth from other countries, which have com-

bined to make Paris the dominant money mart of Europe, are based upon a unique combination of assets and advantages which seem to increase in potency with the lapse of time and the world's progress in civilization. To the primary endowments of a genial climate, a fertile soil, and a geographically accessible location, France adds the advantages of an industrious, frugal people, a scientific monetary system, and an army of artisans, trained by education and inherited tradition to produce the higher artistic forms of manufacture, which compel the patronage of other nations. When to all this is added the historical, the æsthetic, and literary attractions of the French capital, the potent charm which fascinates and attracts visitors and residents from all civilized countries, it becomes easy to understand why Paris has been aptly described as "the great international pocket into which are poured, year by year, the most profuse and willingly paid taxes in the world, the taxes of pleasure, luxury, and discriminating taste."

INCOME FROM FOREIGN VISITORS.

French bankers have estimated that the annual cash income of France from foreign visitors and residents is not less than $500,000,000, and it is within reason to assume that at least one-quarter of that amount is spent here by Americans. So great was the influx of Americans during the spring and summer of 1907 that hotel accommodations were found insufficient, and by the opening of another tourist season seven new up-to-date hotels, with an aggregate capacity of 1,470 rooms, will have been opened to meet the hoped-for returning throng. The beautiful scenery, the perfect roads, and the liberal speed regulations form a resistless attraction to automobilists. There were during the past year many hundreds of such parties from the United States touring this country, and who expended in France for various expenses millions of dollars. It is this power to attract and retain, for purposes of study, pleasure, or convenient conditions of living, so many of the intelligent and financially independent people of other countries that forms one of the surest and most valuable assets of France.

AGRICULTURE AND AGRICULTURAL MACHINERY.

In respect to agriculture, the year 1907 was exceptionally fruitful and prosperous throughout all France except in the wine-growing regions of the south, which were visited during the latter part of the summer by protracted rains and floods which devastated many vineyards, delayed or destroyed the vintage, and did serious damage to low-lying fields, buildings, and other property.

There has been during recent years a surplus production of ordinary wines and brandies, and the prices of those products are abnormally low and unremunerative. But throughout the remainder of France the agricultural population is exceptionally prosperous. The wheat crop was one of the best harvested in recent years, and yielded 368,000,000 bushels of grain, which supplies the normal requirements of breadstuffs and leaves a surplus of from 25,000,000 to 30,000,000 bushels to hold over or export. Meats, eggs, butter, cheese, poultry, fruits, and other farm products have been in active demand at high prices for home consumption and export to Great Britain and other

countries, so that on the whole it may be said that the farming population of France has enjoyed a full and generous share of the prosperity of the year.

The dominant note in French agriculture is the rapidly increasing use of improved implements and labor-saving machinery, which enables a given number of men and women to do more work than hitherto, and neutralizes to a great extent the tendency of the young men and women to gravitate toward cities and factory towns. As an example of this progressive condition it may be stated that about 70,000 reaping and mowing machines were sold in France during the past year. Formerly these were practically all of American origin, for the mowing machine, the reaper, and the binder are distinctly American inventions, and in their development and use Americans have been the teachers of progressive farmers throughout the world.

The importations of American mowers, reapers, binders, and horse hayrakes into France during the past six years have amounted to $14,294,459, an average of $2,382,409 per annum. The highest figure reached was in 1907, when the total imports amounted in value to $3,096,941, being about one-fourth of American exports in that class.

MINIMUM RATES AFFECT AMERICAN TRADE.

But this important trade is now threatened by a serious competition. Great Britain and Germany, where the manufacture of harvesting and haying machinery is steadily increasing in importance, enjoy the advantage of minimum import duties under the French tariff, while similar goods from the United States are subject to the maximum rate. Canada, which has hitherto paid the maximum schedule on her exports into France, is now negotiating a treaty with this country under which, if ratified in its present form, Canadian products will be placed on the same basis when imported into France as those from Great Britain, Germany, and other most-favored nations. The difference between maximum and minimum rates, when applied to harvesting machinery, is as follows: On a mower, $3.86; reaper, $4.82; binder, $8.20; and harvester, $1.93.

Anyone familiar with this branch of trade, who knows on what close margins harvesting machinery is now sold, will see at once the fatal disadvantage under which American exports will be placed by an indefinite continuance of the situation which now exists, and which will be seriously aggravated when Canadian machines secure the advantage of the minimum rates of duty. Already the continued high cost of steel and the greatly enhanced prices of lumber for material and packing cases has compelled the agents in France of American manufacturers to slightly advance selling prices of harrows, hay tedders, and horserakes, until the two former have been practically driven out of the French market, and there is no longer any profit on American hayrakes sold in this country. All this has given a golden opportunity to the French makers of agricultural machinery, and they are doing their utmost to improve it.

What is true of harvesting machinery is likewise true of electrical and other machinery, locomotives, stationary engines, machine tools, dynamos and other such machinery, hardware, railway supplies, rails, tubing, cotton goods, watches, paper in its many forms, domes-

tic animals, fresh meats, and a long list of other important articles, all of which are at a disadvantage of from 25 to 50 per cent in respect to French import duties compared with the same merchandise when coming from a country of the most-favored-nation class.

As American machinery, tools, and other specialties become more extensively copied and imitated in European countries this disparity of import duties becomes more fatal to the genuine articles of American origin, and the struggle of the agents in Paris of American manufacturers to maintain the valuable trade that they have built up by years of sustained and intelligent effort becomes more difficult and uncertain.

CHANGE IN POSTAL REGULATIONS—THE AUTOMOBILE TRADE.

The most recent change in French postal regulations is one which went into effect on February 15, 1908, and provides that telegrams, instead of being necessarily, as hitherto, handed in and paid in advance at a post-office, may be stamped and posted in the boxes designated for pneumatic messages at the various post-offices. Stamps to the amount of the transmission charge by the ordinary rate schedule must be posted on the back of the telegram, which is duly transmitted, and any deficit in the prepaid amount will be collected from the person to whom the telegram is finally delivered.

Probably the most notable industrial event of the year in France has been the congestion and stagnation which overtook the manufacture and sale of motor vehicles which, as is well known, had been developed during the past ten years to one of the leading industrial interests of France. The crisis was not unexpected, for the leading French makers had foreseen the time when the rapidly expanded manufacturing capacity would inevitably overtake the demand, especially for high-powered automobiles of the more luxurious and expensive types. The climax of the trade was reached and passed during the season of 1906, and the end of June, 1907, found many of the leading manufacturers who had been previously receiving premiums for early deliveries with stocks of high-class vehicles on hand for which there was no available market. This stagnation in France was aggravated by the rapid and successful development of the motor-car industry in Great Britain, Germany, Italy, and especially the United States, so that the export of cars to those countries declined rapidly and in some cases almost ceased.

The automobile salon, which took place in Paris during November, was perhaps the most brilliant and comprehensive display of the kind on record, but it was marked by a dearth of interested foreign visitors and a meager record of sales in the higher and more costly classes of vehicles. The keynote of that event was the unprecedented prominence that was given to medium-sized and relatively inexpensive cars of from 10 to 22 horsepower, and at the same time an extraordinary development in the direction of motor cabs, omnibuses, delivery vans, drays, and other vehicles for the everyday business of life.

The increase in the use of motor cabs and automobiles for hire in Paris has been phenomenal during the past six months, and several of the leading makers have important contracts for the delivery of such vehicles in Great Britain, the United States, and South American countries. It is hoped that this demand for vehicles of

everyday utility can be so developed as to save the automobile industry of France from the paralysis which overtook the bicycle manufacture toward the close of the last decade.

FINANCIAL RECORD AND RATE OF EXCHANGE.

The year 1907 opened under apparently favorable financial conditions and prospects here and elsewhere throughout Europe. But within a few weeks disquieting symptoms appeared in the principal money markets, caused by the extraordinary demand for capital in certain continental countries—notably Germany—as well by North America and Japan, which led to a world-wide money crisis and culminated in the memorable panic which shook the financial prosperity of the United States during the month of October.

In France, however, the financial situation was exceptionally strong, thanks to the thrifty character of its people and their ability to economize yearly approximately $386,000,000 available for investment, and this, coupled with the fact that holdings of American securities here are of comparatively moderate dimensions, explains why the effects of the American crisis were at the outset relatively but slightly felt in France. But the unsatisfactory state of other money markets closely allied to the French soon made itself felt and brought about an advance of the bank rate to a point which it had not attained for many years.

In November the Bank of France, in order to relieve the monetary stringency in England, sent gold to London to the extent of over $14,500,000 against sterling paper, and although a similar operation had taken place in 1906, it is probable that it would not have been necessary in 1907 if the continuous drain of gold by the United States, consequent upon the abnormal conditions existing there, had not overstrained the London market.

INCREASED BANK RATE.

The official rate of the Bank of France at the beginning of the year was 3 per cent, but on March 21 it was raised to 3½ per cent. This rise, however, although following close upon the semipanic which had occurred on the New York Stock Exchange in the middle of March, can hardly be associated with American causes, but must rather be ascribed to the general disturbance on the money markets of Europe, especially in Germany, and to the reactionary movement which had already begun to manifest itself. On November 7 the Bank of France raised its rate to 4 per cent, and this rate, which is the highest that has ruled here for eight years, may fairly be considered as the outcome of the severe financial crisis in America which reached its most acute stage in that month. The rate of 4 per cent was maintained until the end of the year. The rates of 3, 3.5, and 4 per cent, however, compare very favorably with those which ruled in England and Germany during 1907, as in the former country the rate was 7 per cent and in the latter 7.5 per cent during the latter part of the year.

French commercial interests benefited materially from the ability of the Bank of France to limit its rate to 4 per cent under exceptional conditions, and it is a patent proof of the influence and strength of this quasi-governmental institution.

VALUE OF SECURITIES.

The depreciation in the value of securities during 1907, which has been such a remarkable feature in the United States and Germany, as well as elsewhere, can hardly be said to have affected French securities in the same degree. The French 3 per cent rente on December 29, 1906, was quoted at 95.22, and on December 31, 1907, at 95.37, but most of the French industrial stocks and bonds show a general decline as compared with the previous year. The nominal value of the securities admitted to the official list of the Paris Bourse during 1907 was $341,887,071, and it is estimated that according to reliable information the nominal value of the issues on the unofficial market was approximately $120,625,000.

Following are the average monthly rates of exchange (short sight) for the dollar during 1907:

	Francs.		Francs.
January	5.19¼	July	5.16⅜
February	5.20⅜	August	5.16⅜
March	5.22⅜	September	5.17½
April	5.19	October	5.17⅜
May	5.16½	November	5.18½
June	5.15⅞	December	5.18½

BORDEAUX.

By CONSUL DOMINIC I. MURPHY.

There was unusual activity in nearly every line of trade in the Bordeaux consular district during the year 1907 up until December, when there was a sudden and rapid decline. The falling off was undoubtedly a consequence of the financial crisis in the United States, together with the financial depression in Mexico, Germany, Denmark, Argentina, and Chile, with which countries Bordeaux does a large trade.

The imports into Bordeaux during 1907 amounted in value to $62,108,075, an increase of $5,702,242 compared with the previous year. The exports were valued at $84,790,225, a gain over 1906 of $4,147,437.

The total imports and exports by groups during the years 1906 and 1907 were as follows:

Groups.	Imports.		Exports.	
	1906.	1907.	1906.	1907.
Food products	$31,302,180	$29,587,563	$40,513,926	$42,644,490
Raw materials	18,081,528	27,940,846	11,650,204	13,055,550
Manufactured products	7,022,125	4,579,666	28,478,658	29,090,185
Total	56,405,833	62,108,075	80,642,788	84,790,225

CLASSIFIED IMPORTS AND EXPORTS.

The largest items of import in 1907 were: Fish, valued at $5,677,407; raw wool, $4,557,323; coal, $4,430,599; lumber, $3,482,664; wines, $2,139,281; and cereals, $2,064,582. The principal articles of export during the same year were: Wine, worth $23,453,589;

lumber, $6,055,020; linen clothing, $3,265,795; chemical products, $3,061,606; and fish, $2,169,939.

In the following statement is shown the articles of import into and exports from Bordeaux during the past two years:

Articles.	Imports.		Exports.	
	1906.	1907.	1906.	1907.
Animal fats, n. e. s.	$271,040	$1,211,496		
Arms, powder, etc	33,737	112,938	$109,311	$1,208,113
Brandies, spirits, etc	361,989	451,975	1,707,281	1,417,964
Cereals	2,515,320	2,064,582	234,552	65,512
Cheese and butter	1,005,997	1,010,404	546,417	578,614
Chemical products	1,863,444	954,272	2,576,008	3,061,606
Clothing, linen			1,607,009	3,265,795
Coal	1,993,060	4,430,599		
Cocoa	885,682	1,305,869		
Coffee	1,171,560	858,062	210,000	172,044
Cotton, and manufactures:				
Raw	393,753	174,365		
Tissues	1,900,000	863,052	3,007,214	1,224,729
Fish	4,367,088	5,677,407	2,750,034	2,169,939
Gum and resin	660,312	726,542	2,139,241	785,038
Hardware			1,569,427	714,931
Iron and steel	229,679	179,369	567,708	114,852
Lumber	5,035,920	3,482,664	3,278,701	6,055,020
Machinery			171,043	319,351
Meats	402,212	481,630	567,444	149,231
Oils	614,965	177,149	305,217	541,160
Oleaginous grains, etc	1,467,106	1,263,570		
Paper, books, etc			1,005,212	1,471,863
Pottery and glassware			1,564,108	1,483,683
Rice	1,252,973	305,371	321,906	84,509
Skins	926,900	1,383,295	1,001,371	1,233,788
Sugar	272,600	229,509	334,225	327,196
Tobacco	1,144,352	1,559,556	119,102	149,174
Wines	1,836,444	2,139,281	21,757,052	23,453,589
Wool, and manufactures:				
Raw	4,452,070	4,557,323	2,113,784	2,590,472
Tissues	193,400	153,017	1,234,410	816,700
All other articles	21,154,230	26,354,788	29,845,011	31,835,382
Total	56,406,833	62,108,075	80,642,788	84,790,225

TRADE WITH THE UNITED STATES.

The imports into Bordeaux from the United States during 1907 were valued at $5,572,431, a decrease of $403,353 from 1906, while the declared value of exports to the United States in the same period amounted to $7,524,953, an increase of $772,252 over 1906. The trade with the United States, by groups, in 1906 and 1907 was as follows:

Groups.	Imports.		Exports.	
	1906.	1907.	1906.	1907.
Food products	$1,175,280	$1,346,125	$4,023,343	$3,934,805
Raw materials	3,432,515	1,370,834	2,303,295	2,817,183
Manufactured products	1,367,989	2,855,472	426,063	772,965
Total	5,975,784	5,572,431	6,752,701	7,524,953

PURCHASES FROM THE UNITED STATES.

The imports, by articles, from the United States during the past two years are shown in the following table:

Articles.	1906.	1907.	Articles.	1906.	1907.
Cellulose	$11,255	$7,899	Oil cake	$2,010	$2,004
Cereals	365,890	136,438	Phosphates, natural	20,607	27,770
Chemical products	49,810	7,801	Provisions:		
Cocoa	9,691	4,871	Lard	289,563	716,724
Coffee	21,315	30,774	Meats, preserved	236,606	321,387
Cotton, raw	876	.....	Tallow	2,189	4,629
Feathers	18,000	76,266	Rubber goods	22,718	1,542
Fish roe	13,900	6,338	Skins	40,080	11,677
Fruits, preserved	25,726	3,340	Staves, etc	1,304,712	730,336
Iron and steel manufactures:			Tobacco, leaf	878,812	839,701
Hardware	32,107	5,562	Vanilla	19,732	10,494
Machines and machinery, agricultural	1,247,832	1,691,700	Vegetables, dried	16,275	341
Oil:			All other articles	5,476	381,236
Cotton seed	170,592	20,421	Total	5,975,783	5,572,431
Petroleum	1,109,009	533,180			

Increased imports from the United States are shown in agricultural machinery, coffee, feathers, lard, and preserved meats. The increased importation of American lard and agricultural machinery is especially noticeable, the former having increased over 1906, $443,869 and the latter $427,161.

Decreased imports are shown in cereals, chemical products, cocoa, cotton-seed oil, preserved fruits, hardware, petroleum, tobacco leaf, and dried vegetables, the most noticeable being a loss of $229,452 in cereals as compared with 1906, chemical products $48,786, cotton-seed oil $150,171, and petroleum $575,830. Arachide oil has largely taken the place of cotton-seed oil here, as it is a home product and the price has been about as low as cotton-seed oil. Manufacturers of oleomargarine, formerly large users of American cotton-seed oil, now use the arachide almost exclusively. The decreased importation of petroleum is difficult to account for, the probable reason being that Russia supplied much of the demand at low prices.

SALES TO THE UNITED STATES.

The value of articles declared for export to the United States during the past three years is given in the following table:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Bitartrate of potash	$217,045	$101,398	$272,584	Oil:			
Boxwood handles	32,371	78,725	72,490	Nut (arachide)	$26,293	$32,149	$23,665
Brandy	208,960	102,445	91,161	Olive	343,282	288,813	352,565
Capsules, metallic	39,037	49,160	66,534	Other	625	647	494
Cheese	7,026	10,584	11,305	Paper	273,086	240,891	306,247
Chemical products	47,324	36,799	9,572	Prunes	29,730	105,432	28,800
Cork	19,400	25,714	28,666	Rags	.....	1,556	54,509
Fish, preserved	547,042	421,326	307,643	Skins	639,352	873,008	1,547,271
Fruits, preserved	80,696	150,096	184,803	Talc	22,246	35,104	64,124
Fungi	404,746	343,329	317,487	Vanilla beans	59,486	79,051	41,746
Glycerin	15,099	17,096	12,385	Vegetables, preserved	137,502	172,976	228,109
Hair, animal	9,119	30,497	9,329	Wines:			
Jams and jellies	6,703	13,710	33,631	Still	627,978	636,147	682,937
Lithograph prints, etc	22,827	23,234	49,942	Sparkling	24,128	34,039	39,957
Liqueurs	116,626	211,912	166,321	Wool	122,207	50,956	164,191
Medicines, proprietary	18,439	23,709	22,868	All other articles	625,749	5,546,796	742,864
Meat, preserved	18,519	30,357	27,628	Total	5,680,301	6,752,701	7,524,954
Nuts	938,148	1,325,961	1,346,953				

Largely increased exports to the United States are shown in metallic capsules, preserved fruits, jams and jellies, lithographic prints and labels, nuts, olive oil, paper, skins, talc, preserved vegetables, still wines, and wool.

There were largely decreased exports in brandy, preserved fish, fungi, animal hair, liqueurs, prunes, rubber, spiegeleisen, and vanilla beans.

INCREASED PRODUCTION OF WINE.

The season having been favorable, the vintage began late in September, but continued heavy rains did not tend to improve the quality of the product. The ordinary red wines, rather light in body at first, developed fairly well, appearing to have sufficient alcohol to keep them sound. The quality of the classed wines of the Medoc seem to have fully satisfied both growers and dealers. The white wines, though not so sweet as those of 1906, have been found quite satisfactory.

As to the quantity, no vintage in twenty years, except 1900, has surpassed it, according to the official figures. In the ten departments of this consular district 924,483 acres of vines were under cultivation in 1907, the yield being 325,799,117 gallons. Compared with the vintage of 1906, which produced 204,535,016 gallons, there was an apparent increase of 121,264,101 gallons, or considerably more than 50 per cent.

In the single Department of the Gironde the yield was 143,688,245, against 96,408,271 gallons in 1906, an increase of 47,279,974 gallons.

The wine production of the Bordeax district according to departments during the past three years was as follows:

Departments.	1905.	1906.	1907.
	Gallons.	*Gallons.*	*Gallons.*
Gironde	113,460,000	96,408,271	143,688,245
Gers	21,120,000	19,800,000	35,250,140
Lot-et-Garonne	21,648,406	22,386,892	28,709,352
Ariège	1,315,468	2,420,000	4,354,922
Basses Pyrénées	7,749,500	9,110,662	13,376,876
Hautes Pyrénées	911,152	1,184,238	5,183,006
Tarn-et-Garonne	13,057,660	13,320,098	18,678,174
Haute Garonne	16,095,684	18,845,838	31,910,371
Landes	8,701,880	7,049,834	15,814,008
Tarn	16,173,124	14,009,183	30,839,023
Total	220,132,874	204,535,016	325,799,117

The enormous figures for 1907 result from the operation of the recent law requiring growers to make declaration before the mayors of the respective communes of the yield of their vineyards each year. Penalties are inflicted upon those who sell in excess of the amount declared unless, as brokers or agents, the growers dispose of the products of other vineyards.

PREVENTING FRAUD IN SALES OF WINES.

By administrative decree of September 3, 1907, the provisions of the law of August, 1905, for the repression of fraud, were made applicable to food products from March 3, 1908. Nothing can now be sold as wine unless made entirely from fermentation of fresh grapes or their juices. Any manipulation or practice tending to deceive

the buyer, as to the substantial quality of the wine or the place of production, subjects the seller to heavy penalty.

Blending, freezing, pasteurizing, and clarification with substances of long established usage, are permitted, as well as the fumigation of the casks by burning sulphur.

The total amount of sulphurous acid in wines, free and combined, however, must not exceed 350 milligrams per liter. Alkaline bisulphites are likewise permitted, provided the dose does not exceed 20 grammes per hectoliter (26.417 gallons).

The various wine districts are to be carefully defined, distinctive names being assigned to each. This movement, which is already in progress, will only permit wines to be sold under the name of the particular districts in which they are actually produced.

There was exported from Bordeaux during 1907 wines to the amount of 23,059,610 gallons, valued according to the chamber of commerce and the customs authorities at $11,944,191. Germany still leads in the foreign consumption of Bordeaux wines, 4,063,410 gallons having been shipped there, against 3,477,085 gallons in 1906. England appears as the second largest buyer, 3,667,797 gallons having been consigned there against 2,963,544 gallons the year previous. Belgium, Argentina, Holland, Denmark, Uruguay, and Spain also received large quantities, the United States appearing far down the list with 321,891 gallons, against 275,265 in 1906, an increase of 46,626 gallons.

WHEAT, WALNUT, AND PRUNE CROPS—RUBBER.

Throughout the entire district the crops of cereals and vegetables were vastly better than in 1906, wheat especially. In the departments of Lot-et-Garonne, Tarn-et-Garonne, and Haute Garonne the wheat crop was abundant; in the other departments of the district, very good. The ten departments yielded 32,247,068 bushels of wheat, 1,956,250 acres having been sown. As the average consumption of wheat in the same departments is but 21,149,818 bushels, the 11,097,250 bushels in excess were sold to other regions not so favored or exported abroad.

In the walnut districts the crops looked most promising until October, when heavy and persistent rains prevailed during and after the harvest, preventing the natural drying of the nuts. As a result a great portion of the crop was of inferior quality, a large proportion of the fruit becoming moldy. Both growers and dealers consequently have met with losses and disappointment. The average prices per 110-pound bag were: Marbots, $6.56 to $7.33; Comes, $5.79 to $6.36; and Naves, $5.40 to $5.79. The American demand was very active, much more than usual. In the growing regions of the south the prune trees commenced to flower toward the end of March, and although much rain fell, no particular harm was noticed until the fruit began to fall heavily in June. In July and August, with very hot and dry weather, the crop was further reduced. At the harvest it was found to be about 35,000,000 pounds, one peculiarity being the unusual proportion of very large fruit, which added to the general weight. Exports of prunes in 1907 amounted to 25,238,007 pounds.

The hopes that were entertained that Bordeaux would become the world's principal market for crude rubber have not been realized. The imports from the Sudan and the other rubber fields decreased considerably, the amount being 3,343,099 pounds in 1907, against 3,783,102 pounds in 1906.

In the African rubber fields there was a considerable decline in production, and the natives have so far progressed in modern business methods that they have learned the trick of holding their supplies for higher prices. The Bordeaux market, fed principally from Africa, felt severely the effects of the shortage.

The entire stock of crude rubber on hand in Bordeaux at the close of the year was reported as 299,105 pounds.

MARITIME STATISTICS.

The entrances and clearances of seagoing vessels, including those in ballast and those engaged in the French fisheries off Newfoundland and Iceland, made a grand total of 2,795, aggregating 2,654,420 tonnage. Compared with 1906, this was an increase of 174 vessels and 898,581 in tonnage.

Entrances and clearances of vessels with cargoes were 2,299, aggregating 2,096,401 tonnage—a gain over 1906 of 112 vessels and 303,553 in tonnage. This rather noticeable increase appeared to be common to all nationalities except Belgium, Honduras, Greece, and the United States.

In entrances ships flying the Spanish flag increased by 30 and 51,309 in tonnage; Swedish by 14 vessels and 15,330 in tonnage; and French by 7 vessels and 67,261 in tonnage. Great Britain seems to have decreased by 3 vessels, but to have gained 19,313 in tonnage. In clearances the principal increase is shown in ships under the Swedish flag, the gain having been 10 vessels and 12,435 in tonnage, and Danish by 18 vessels and 27,637 in tonnage.

Bordeaux's trade with the United States is carried exclusively in vessels flying the French flag.

During the year the Compagnie Générale Transatlantique put on three new steamship lines—one a monthly passenger and freight service to New York, the second a passenger and freight service to New Orleans, and the third a similar service to Porto Rico and the West Indies. The company's general agent here informs me that commencing in the fall of 1908 there will be a semimonthly passenger and freight service between Bordeaux and New Orleans, and later in the year a similar semimonthly service between Havre, Bordeaux, and New York.

A new line of steamboats plying on the Garonne and the Lateral and the Midi canals has been established between Bordeaux and Cette on the Mediterranean.

PORT IMPROVEMENTS—LUMBER TRADE.

There was much congestion at the port several times during 1907. Some of the railroads connecting with the quays and docks were frequently unable to move freight fast enough because of a shortage of rolling stock. Toward the close of the year these roads put on additional freight cars and announced their ability to meet all demands of trade.

The new dock, which will give 4,000 feet of additional quay length, is to be pushed forward to completion; the proposed belt line railroad to connect with other roads the quays and the docks are likely to be built, and $434,250 are to be spent upon port improvements.

A new railroad bridge is in contemplation to span the Garonne, which will connect the coal wharves on the right bank with the railroad and the docks on the left.

New steam and hydraulic cranes are to be erected on the quays so that there will be ample facilities for the rapid loading and unloading of all ships that may enter or clear here.

There seems to be the impression here that port improvements must be pushed forward to meet the increased trade that is expected upon the completion of the Isthmian Canal by the American Government. As Bordeaux does considerable trade with Ecuador, Peru, and Chile, on the west coast of South America, the opening of the canal is looked forward to with great interest, as the distance to those countries will be materially lessened.

Bordeaux has a large trade in lumber, being the main port in southwest France, receiving the foreign supplies and being the distributing point for a great extent of territory. Russia now supplies about two-thirds of all the lumber imports, but a great deal comes from Sweden, Austria, Germany, Canada, and the United States.

The imports of lumber in 1907 amounted to 154,497 tons, of which 3,174 tons were exotic wood, valued at $3,570,765. From the United States there were imported spruce and pine to the value of $331,886. In addition there were about 25,000,000 American staves brought to the port.

The exports were largely railroad ties and pit props, there being a great and constant demand for the latter from the English coal mines. Lumber exports amounted to 459,892 tons, including 662 tons exotic wood, valued at $6,076,101.

DISTRIBUTING POINT FOR FISHERIES.

In the Newfoundland and Iceland fisheries there were engaged in 1907 (which was the best season in five years) 142 French vessels, aggregating 23,811 tonnage. Nearly all these ships brought their cargoes to Bordeaux, although but 6 of them put out from this port.

The vessels engaged in this trade brought to Bordeaux no less than 55,584,274 pounds of fish as a result of the season's catch.

From present indications Bordeaux is destined to remain the chief French market for the codfish trade. There are in the suburbs immense establishments where the fish are dried and prepared for market. The fishermen always find here ready sales and fair prices. The import of dried, smoked, and preserved fish was much more important than in 1906, having been 79,391,741 pounds. Sardines were imported, largely from Spain and Portugal, to the extent of 15,213,337 pounds, the practical failure of the French sardine fisheries accounting for the unusually large importation.

DEMAND FOR AMERICAN MACHINERY.

The importation of machinery of all kinds in 1907 amounted to 12,973 tons, of which 8,200 tons were agricultural machinery. As the average annual importation of the latter for the past five years was 6,942 tons, the increase was considerable.

American agricultural machinery is highly esteemed in southwest France. The largest dealer in this region informed me that out of every ten machines purchased from him eight are of American make.

Here I would call special attention to the fact that American trade in agricultural machinery in France is seriously imperiled unless American manufacturers are permitted entry for their machines at the minimum rate of duty. If the pending convention between France and Canada be ratified, the latter will secure for its agricultural machinery the minimum rate of tariff, $1.74 per 220 pounds, while American manufacturers are required to pay the maximum rate, $2.90 per 220 pounds. French manufacturers are putting forth efforts to introduce their own machinery, and with this maximum rate of duty confronting American manufacturers the former have a decided advantage.

It seems to me, however, notwithstanding the difficulties in the way, that the sales of American machinery might be increased if more active methods of exploitation were adopted. A few good agents, speaking French and having some knowledge of French methods, might do a great deal. As for small agricultural implements, French manufacturers are turning them out in such quantities and at such low prices that I fear successful competition with them is hardly possible.

PEANUT AND COTTON-SEED OILS.

Bordeaux claims superiority over other European markets for its olive oil, the methods generally employed being deemed probably the best in the world so far as clean and delicate handling and repeated and careful filtering are concerned. Arachide oil, pressed here from African peanuts, has hurt the sale of American cotton-seed oil considerably. Several fairly large shipments of arachide were made to the United States in 1907.

The dealers inform me that much of the cotton-seed oil imported in 1907 was not of good quality, and its price having been as high as arachide sales of cotton-seed oil largely declined. The same dealers, however, report the cotton-seed oil of this year as of excellent quality, and while sales have been fairly active the fluctuation in prices has not been favorable to brisk or steady trade.

FREIGHT TRAFFIC—IMPORTS OF COAL—COST OF LIVING.

The freight traffic on the railroads centering at Bordeaux increased considerably over that of 1906, the shipments from the several stations amounting to 1,776,110 tons, while in 1907 there were 1,977,975 tons, an increase of 201,865 tons. Freight received in 1906 amounted to 1,938,127 tons, while in 1907 the amount was 1,972,741 tons, an increase of 34,614.

The total imports of coal in 1907 were 1,345,210 tons, an increase compared with 1906 of 274,892 tons. Nearly all of this coal was from the English and Welsh mines, Germany having sent but 600 tons. The output of the French mines appears to be on the decline, the production having fallen off about 1,500,000 tons compared with the previous year.

In the past five years the cost of living has materially increased in this part of France. Meats are higher by about 25 per cent than they were in 1903; fish has increased about 40 per cent; bread 10 per

cent, cheese 20 per cent, vegetables 12 per cent, coal 30 to 35 per cent, and wood about 30 per cent. Rents, however, do not seem to have advanced appreciably, but every article used in the household has increased greatly in price.

CALAIS.

[COMPILED FROM A REPORT BY THE BRITISH CONSUL AT THAT PORT, PRINTED BY THE FOREIGN OFFICE, LONDON, IN JULY.]

There is a little local consumption of such British goods as groceries, ham and bacon, tea, spirits, stationery, boots and shoes, etc., but not much apparent opportunity for extension. In coal there is some increase, and colliery owners and agents took advantage of the strike in 1906 by coming over and securing some contracts. The imports of British coal at Calais were 327,399 tons in 1906 and 207,998 tons in 1907.

Little if any new business is likely to result in a foreign country from sending catalogues and price lists, especially when they are not in the language of the country and quote only British prices and measures. Visits of energetic, properly equipped commercial travelers, speaking the language, might more likely be productive of practical results in important industrial commercial centers.

The use of agricultural machinery, including reaping, mowing, harvesting, and thrashing machines, appears to be on the increase, and colored placards relating to such machinery, some of which is of American origin, giving the names of district agents, are attractively exhibited in various public places. In the chief towns of important agricultural districts agricultural syndicates exist, many of which deal with the supply of machinery and implements and purchase or sale of seeds, manure, etc.

DISTRICT COAL PRODUCTION.

The following statistics, showing the production of coal in the departments of Pas-de-Calais and Nord, were obtained from the chief engineer of mines:

Companies.	1906.	1907.a	Companies.	1906.	1907.a
PAS-DE-CALAIS.	*Tons.*	*Tons.*	NORD.	*Tons.*	*Tons.*
Dourges	989,480	1,160,000	Anzin	3,102,465	3,419,868
Courrières	1,502,621	1,958,956	Aniche	1,562,096	1,836,906
Lens	3,030,285	3,412,891	Douchy	377,563	396,942
Béthune	1,640,452	1,867,069	Vicoigne	115,795	132,206
Nœux	1,425,209	1,658,944	Crespin	58,397	42,883
Bruay	2,419,194	2,456,744	Azincourt	96,276	87,425
Marles	1,459,062	1,517,729	Thivencelles	125,046	136,093
Ferfay-Cauchy	180,088	205,713	Escarpelle	693,361	739,617
Ligny-lez-Aire	159,968	101,546	Flines-lez-Râches	126,947	142,566
Lièvin	1,504,310	1,643,551	Total	6,243,086	6,933,506
Meurchin	305,323	463,967			
Carvin	244,605	279,363			
Ostricourt	404,000	472,500			
Drocourt	469,410	517,840			
La Clarence	34,113	37,425			
Total	15,828,083	17,829,288			

a Approximate figures.

PRODUCTION OF COKE AND PATENT FUEL.

The following statement shows the production of coke and patent fuel at works belonging to the mining companies of the Pas-de-Calais and Nord during 1906 and 1907:

Companies.	1906.	1907.[a]	Companies.	1906.	1907.[a]
COKE.	Tons.	Tons.	PATENT FUEL.	Tons.	Tons.
Aniche	241,922	265,139	Aniche	239,798	354,083
Anzin	211,885	235,246	Anzin	233,662	268,817
Azincourt	32,735	31,022	Carvin	28,220	34,675
Béthune	140,800	218,918	Escarpelle	33,319	36,250
Douchy	139,625	159,858	Flines-les-Râches	60,143	69,899
Dourges	145,707	209,519	Lens	87,928	92,420
Drocourt	47,890	68,170	Meurchin	92,081	114,522
Escarpelle	66,628	80,309	Nœux	97,402	107,323
Ferfay-Cauchy	31,813	33,014	Ostricourt	73,350	94,350
Lens	505,241	509,140	Vicoigne	13,300	11,901
Nœux	114,577	135,822			
Total	1,678,823	1,946,757	Total	969,233	1,184,040

[a] Approximate figures.

LACE AND TULLE INDUSTRY.

The year 1907 opened well for the lace and tulle manufacturers, the amount of business in January and February being larger than in the corresponding months of 1906. Exportation to the United States alone was about £100,000 ($486,650) larger. Orders were confined to the finer goods chiefly, and manufacturers owning fine looms had as much work as they could execute. Plats, malines, and fine Valenciennes were the principal goods ordered, while there was slightly increased activity in black silk articles. In November the effects of the American financial crisis were very directly felt on this market. Orders directly booked were countermanded or suspended. The winter season, on which lively hopes had been founded, might be considered as seriously compromised. December brought no change, and even if the American crisis was virtually over, from the financial point of view, it was evident that the industry could not revive before the early part of 1908.

A local paper reports that in view of the large number of lace workers unemployed, and consequent prevailing distress, the municipal council has recently voted a special sum of £1,000 ($4,866) to be applied by the medium of the bureau of public assistance and of "cantines populaire" or soup kitchens.

The total exports of lace and tulle during 1907 were as follows:

Cotton	$11,403,314
Silk	3,516,732
Wool	19,553
Flax	17,427
Total	14,957,026
Total in 1906	15.835,123
Average, five years, 1902–1906	14,638,719

According to figures kindly furnished by the American consul, the exportation of lace and tulle to the United States in 1907 amounted to £1,796,715 ($8,473,713), of which £987,711 ($4,806,696) worth was exported during the first six months of the year, and £809,004 ($3,937,017) during the last six months.

A proposal was made that distinctive marks should be used for handmade and machine-made lace, respectively, but the Calais manufacturers, at a meeting held to consider the subject, seemed to think that there was no necessity for such distinctive marks; the purchasers, especially ladies, could not be misled; that handmade lace needed no mark to show that it was not imitation, while the great divergence of price between the two articles was of itself a sufficient guide in commercial transactions. They concluded that if dealers in handmade lace really feared its being confounded with machine-made lace, it was rather for them to protect themselves by affixing to their products distinctive marks, officially registered, indicating that such goods were handmade, but that manufacturers would continue to put no distinctive marks on their machine-made laces.

OTHER GENERAL LOCAL INDUSTRIES.

Local industrial establishments of Calais and neighborhood, including Arles, Andruicq, Guines, and Marquise, comprise sugar factories, breweries, cycles, motor cars and accessories, contractors for working reaping and harvesting machines and pressing machines, manufacture of superphosphates, phosphate-crushing mill, steam and petroleum thrashing machines, hemp and flax spinning mills, water, steam, gas, etc., cement quarries, and ceramic products, water supply, marble cutting, electric lighting, gas lighting, railway material, mustard mills, mineral-water factories, a beetroot-pulp factory, mechanical engineering shops, an ocher factory, bonnet making, wooden spade making, dyeing and upholstery, molding, artificial ice making, ironware manufacture.

The average daily wages in some of the foregoing establishments are as follows:

Industries and occupations.	Wages.	Industries and occupations.	Wages.
Potteries and earthenware: [a]		Biscuit factories: [a]	
Foremen	$0.89	Foremen	$0.91–$1.58
Adult workmen	.79	Adult workmen	.61– .97
Youths, 15 to 21 years	.61	Youths, 15 to 21 years	.30– .61
Laborers and carters	.69	Laborers and carters	.61– .89
Wood-sawing mills: [b]		Stokers	.81– 1.07
Foremen	.79	Women	.28– .61
Adult workmen	.69	Lace and tulle factories: [a]	
Youths, 15 to 21 years	.49	Foremen	2.92
Laborers and carters	.69	Adult workers	1.95
Stokers	.61	Stokers	.97
Boys under 15 years	.28	Women	.61
Gas works: [b]		Boys under 15 years	.40
Foremen	.89	Girls under 15 years	.30
Adult workmen	.63	Soap works: [a]	
Youths, 15 to 21 years	.44	Foremen	.79
Laborers and carters	.44	Adult workmen	.69
Boys under 15 years	.30	Youths, 15 to 21 years	.61
Sugar factories: [c]		Laborers and carters	.61
Foremen	.79	Chairmakers: [a]	
Overlookers	.69	Adults	.49
Adult workmen	.61	Women	.30
Youths, 15 to 21 years	.40	Boys under 15 years	.14
Stokers	.61		

[a] 300 working days per year. [b] 315 working days per year.
[c] 40 working days per year.

IMPORTS BY ARTICLES AND COUNTRY OF ORIGIN.

The total imports at Calais in 1907 amounted to 482,714 tons, a decrease of 69,162 tons from those of 1906. A considerable increase

is noted in the imports of beer; pig iron; raw silk, from Italy; Scandinavian timber, generally the largest item in the import list; and wood pulp.

A considerable falling off is noticeable in coal; hides; Norway ice; jute, now imported through Boulogne and Dunkirk rather than through Calais; condensed milk, hitherto a steady article of transit from Switzerland to the United Kingdom, of which the imports were only one-fifth of a ton in 1907 against a previous annual average of 1,000 tons, the bulk probably going to Dunkirk instead of Calais; petroleum and heavy oils; cotton yarn, a very great falling off; and yeast.

Articles of smaller importance not included in the following import table were horses, ham and bacon, fish, bones and hoofs, grain other than wheat, oleaginous seeds, refined sugar, coffee, fine pure oil, yarns of goat's hair, mohair, and silk waste. The imports of coffee amounted to 437 tons and came from the United Kingdom, Central America, India, Venezuela, Brazil, Porto Rico, and Guadeloupe.

The following statement shows the quantities of the principal articles imported at Calais in 1906 and 1907 and whence imported:

Articles.	1906.	1907.	Whence imported.
	Tons.	*Tons.*	
Coal	327,399	207,998	United Kingdom.
Cotton tissues	122	107	Do.
Iron:			
Pig	14,390	24,670	Do.
Other	230	618	Do.
Ironware	136	131	United Kingdom, Belgium, and Germany.
Machinery	2,153	1,498	United Kingdom and Germany.
Petroleum:			
Crude	5,126	5,825	United States.
Refined	.....	71	Do.
Residues and heavy oils	3,259	1,741	Russia and Belgium.
Silk:			
Worked or spun	3	8	Switzerland and Italy.
Raw	44	15	Italy.
Steel bar, plate, and wire	10	4	United Kingdom.
Timber of all sorts	155,528	186,688	Russia, Sweden, Norway, and United States.
Vegetables, fibrous	145	188	United Kingdom.
Wheat	6,780	5,572	United Kingdom, Russia, India, and Roumania.
Wood pulp	17,900	20,471	Sweden, Norway, United Kingdom, and Russia.
Wood ware	54	18	United Kingdom, Belgium, and Germany.
Wool, raw	6,204	10,018	Do.
Yeast	75	17	Do.
Beer ..... gallons	36,466	46,730	Do.
Cotton lace and tulle ..... cwts.	236	204	Do.

[In a table of imports forwarded by American Consul James B. Milner to Washington the proportion of lumber and timber coming to Calais from the United States is stated to have been 6,272, 690, and 9,853 tons, respectively, in 1905, 1906, and 1907, while the receipts of American kerosene were 4,951, 4,957, and 16,984 tons, respectively.—B. of M.]

EXPORTS BY ARTICLES AND DESTINATION.

The total exports from Calais in 1907 amounted to 132,887 tons, an increase of 3,885 tons over 1906. Increased exportation appears in chalk, of which several large shipments went to the United States; candied fruits, a small increase; ironware, for French colonies chiefly; osiers, of local production; refined sugar, vegetables, wines, cotton yarn, woolen yarn, and yeast.

There was a marked falling off in basket work, submarine cables of local manufacture, flowers, fresh fruits, grain and flour, hay, straw, and forage, dead rabbits, condensed milk, ochers, phosphates, potash and its carbonate, poultry, rags, spirits and alcohol, raw sugar, tissues, principally lace and tulle, raw wool, and linen yarns.

Articles of export of smaller importance, and not included in the following table, were fancy biscuits, linseed oil, marble and stone, iron or steel wire, glue, pottery and porcelain, hides, clocks, machinery, musical instruments, india-rubber goods, hardware, and toys.

The following statement shows the quantities of the principal articles exported in 1906 and 1907 and whither exported:

Articles.	1906.	1907.	Whither exported.
	Tons.	*Tons.*	
Basket work	129	71	United Kingdom.
Cables, submarine	439	322	United Kingdom and Nova Scotia.
Chalk	23,878	30,420	United Kingdom, United States, and Norway.
Coal and patent fuel	12,050	12,886	For bunkers.
Corks	579	586	United Kingdom.
Eggs	1,032	1,011	Do.
Fruits:			
Fresh	3,240	1,774	Do.
Canned or in sirup	678	767	Do.
Furniture and wood ware	16	25	Do.
Glassware	4,012	4,071	Do.
Grain and flour	6,287	4,132	Do.
Hay, straw, and forage	25,530	22,940	United Kingdom and Canary Islands.
Meat	332	272	United Kingdom.
Metal goods:			
Iron	14,467	17,951	French colonies and foreign countries.
Brass, copper, etc	317	.....	United Kingdom.
Ochers	245	61	Do.
Osiers	7	41	Do.
Phosphates	252	.....	Do.
Potash and carbonates of	125	29	Do.
Potatoes	540	3,582	Do.
Poultry	18	7	Do.
Sugar:			
Raw	7,464	3,141	Do.
Refined	265	342	Do.
Tissues:			
Hemp and flax	578	375	Do.
Cotton, silk, and wool	8,091	7,967	United Kingdom and United States.
Vegetables	455	552	United Kingdom.
Wool, raw	1,900	142	Do.
Yarns:			
Linen	861	514	Do.
Cotton	219	472	United Kingdom and United States
Wool	3,049	3,530	United Kingdom.
Yeast	781	958	United Kingdom and Spain.
	Gallons.	*Gallons.*	
Champagne	416,623	371,133	United Kingdom.
Other wines	13,686	18,592	Do.
Mineral waters	4,114	4,026	Do.
Spirits and alcohol	1,282	917	Do.

[In American Consul Milner's statistics of exports, 18,450 tons of chalk are reported as having been shipped from Calais to the United States in 1906 and none in 1905 and 1907, and that the shipments of machine-made lace to the United States were 473 tons in 1905, 659 tons in 1906, and 679 tons in 1907.—B. of M.]

SHIPPING RETURNS.

The general shipping statistics of the port show that 2,011 vessels of 808,052 register tons entered and 2,011 of 808,052 tons cleared, a slight decrease in both entrances and clearances as compared with 1906. Deducting mail, passenger, and excursion boats from the entrances and clearances in 1907, a total of 799 vessels of 362,289 tons entered and 799 vessels of 366,091 tons cleared, engaged in the general

carrying trade of the port. Of British vessels engaged in the trade of the port, 44 entered with British coal, 2 with wheat from India, 3 with petroleum from the United States, and 6 with lumber from Norway, Sweden, and Finland. Timber is now brought mainly by Scandinavian vessels.

Outward freights were scarce, a large number of vessels going to home ports in ballast. Some steamers with general cargoes for West Africa came here, as usual, for straw to be landed at the Canary Islands for fruit packing.

The following statement shows the entrances and clearances of steam vessels at Calais in 1907, including mail, passenger, and excursion boats:

Nationality.	Entered.		Cleared.	
	Number.	Tonnage.	Number.	Tonnage.
British	1,433	477,097	1,438	483,966
French	366	159,860	367	160,816
Danish	49	50,997	50	52,575
Norwegian	67	49,912	61	45,255
Swedish	47	37,492	45	35,514
German	25	15,380	30	18,202
All other	7	7,300	6	6,737
Total	1,994	798,038	1,997	808,055

The sailing vessels entered numbered only 17 of 5,848 tons and the clearances 14 of 4,497 tons.

GRENOBLE.

By Consul Charles P. H. Nason.

The business as a whole of this city and Department for 1907 was regarded as having been quite unsatisfactory. This was true especially of certain branches of industry, aside from that of gloves and walnuts. Paper making, of the common quality, has declined because of competition with the north of France and the greater cost and unfavorable conditions of railroad transportation. For the same reason the cement industry, with an annual output of $1,000,000, remains quite stationary. Carriage making, once so important, has lost ground constantly before the increase of local railways, tramways, and automobiles. Imposts and cost of transportation have not improved the flour industry. Increased cost of labor and of material, and strikes have sensibly affected the building industry, and this in turn has reacted detrimentally upon the tile and brick works. The commerce in wines, because of diminished yield in this Department, and of higher prices, has declined almost 33 per cent. The campaign against alcohols, absinthe, and liqueurs has caused a notable decrease in the sales of these articles.

The increased cost of living and the greater number of unemployed have had their natural effects of lessening the profits of the grocery trade and still more noticeably the sales of the dealers in meats. The furniture business is less prosperous, less expensive articles at little profit being more sought for than the richer and artistic, many people of means preferring to possess automobiles and other objects of luxury than those of house decoration.

THE GLOVE MARKET.

The glove market in Grenoble has never been in such a peculiar condition. The business, from one point of view, has been good, orders pressing, the army of workers well occupied, while in the last half of 1906 and first half of 1907 a state bordering on bewilderment prevailed among manufacturers because of the continued advance in the price of glove skins. These prices were carried to the highest limit, 80 to 90 per cent above the ordinary, and many manufacturers who had few skins on hand found it difficult to meet preexisting contracts, and some were forced to do business at a loss or discontinue altogether.

In view, too, of the exceptional demand for the "long lengths," many American dealers overbought and later found themselves overstocked; a reaction set in, orders fell off, and the whole trade, both on the part of manufacturers and selling merchants, became very unsettled. These conditions, coupled with uncertainty as to coming fashions in lengths and colors of gloves, followed by the economic crisis in the United States, which has affected the trade in most articles of luxury, have brought about a temporary decline in glove exports quite as marked as was the previous advance. This decline began in the late summer of 1907. Skins have already fallen in price. The local consequences of this depression are being severely felt. The number of unemployed increased and many glove workers are seeking other kinds of labor.

COMMENTS ON BUSINESS SITUATION.

The Grenoble Chamber of Commerce, commenting on the situation, remarks:

> The price of leather has risen to a figure hitherto unknown. The costs of leather dressing, dyeing, and cutting have also advanced. Retail dealers in America, England, and France have not been able to raise selling prices in keeping with the cost of manufacture, more especially of long gloves. This situation has contributed to the extraordinary increase in the making of thread and silk gloves at other centers. Another cause of the crisis is found in foreign competition, notably in Germany, Belgium, Austria, and Italy, which countries, it is claimed, put upon the outside markets (including France) kid gloves of similar make. Add to this the heavy duties levied on gloves entering the United States, and we have the causes which at this time seriously menace the Grenoble industry.

In face of competition and other difficulties the straw-hat industry maintains well its figure of production. Linen making, at Voiron, and embroidery, at Grenoble, have been extending beyond the high level reached in 1903. Since the disappearance of the convents which furnished many skilled embroiderers, there exists a scarcity of such, and it is thought that here is a remunerative field of labor and that a special school of training to this end might well be established.

The past year has seen established at Grenoble, under the auspices of the paper union of France and the University of Grenoble, as an annex to the electrotechnical institute, a school for instruction in the art of paper making, the course to be two years, and from which one may graduate as a paper-making engineer. A suitably equipped building is now being erected, the gift of a public-spirited citizen. The city has also provided for a new building to house the Vaucanson School, an old and well-known institute of industrial arts and manual training.

BUTTON MAKING AND SILK WEAVING—HYDRAULIC INSTALLATIONS.

The industry of clasp buttons and agraffes, of which Grenoble holds the monopoly in France, continues, despite certain drawbacks, to progress, employing about 700 working people, who receive an annual salary of $160,000, more or less. The silk-weaving industry (in the Department of the Isère), tributary to Lyon and St. Etienne, which represents 16,650 looms and employs a personnel of 21,000 employees at a daily wage of $12,000, moves on without much change. The output and value of anthracite coal in the Isère has increased about 20 per cent since 1901, amounting to 310,000 tons in 1906, employing 2,200 workmen at an average wage of $1 per eight-hour day.

The hydraulic installations, utilizing the mountain waters, have increased year by year until now they total 77,000 horsepower, of which 44,000 is transported to serve plants of heat, light, and power more or less remote. The industry of electric chemistry has been developed by the same water power on a large scale, fabricating sodium, oxylithe, and other products, and is still more promising for the future. To the utilization of the same hydraulic forces is due the growing prosperity of machine and boiler works, foundries, etc., which are unequal to the filling of their numerous orders.

SALES OF WALNUTS AND PAPER TO THE UNITED STATES.

The exports of walnuts to the United States vary from year to year, according as the crops vary from the normal. The total for 1906 was in values almost 40 per cent above that of 1905, while that for 1907 was about 20 per cent less than that of 1906. The average for the three years is $480,626. These exports do not fairly represent a single year's complete walnut crop, but cover shipments made from parts of two successive crops. The yield of the 1907 crop has been hardly half the average size. Prices ordinarily should have ruled much higher, but owing to undue speculation the previous year buyers have been more cautious and prices have tended downward and exports have decreased. Demands, however, are likely to increase, as the quality of the year's crop is exceptionally fine.

The exports to the United States of paper for photographic use have steadily increased, reaching a total last year of $483,661, more than treble that of former years prior to 1905. This paper is made wholly from white rags reduced to pulp and treated in a remarkably clear water from the small running stream named the Fure. It is the carefully prepared product of one of the oldest and largest paper factories in France, which, beyond its supplies sent to the United States, furnishes book, bank, photographic, and writing papers in numberless patterns on an extensive scale to various European countries.

INCREASE IN METALLURGICAL PRODUCTS.

Metallurgical products, resulting from new electrical processes in the fabrication of metals and alloys used in the making and refining of steel, have much increased in this district. The exports have been largest in ferrosilicon, ferrochrome, ferr un), ferr (b), and silico-spiegel. Ferrosilicon and ferrochr p on a large scale in America, and in t fu m ported from France. During t

chrome has been imported from America into Europe. While the making of ferrotungsten has not yet begun in America, American steel works are substituting a concentrated ore from Colorado more cheaply obtained than either ferrotungsten or tungsten powder.

Uncrushed or artificial emery made by a special electrical process at La Bathie, Savoy, was exported to the United States in 1907 to the value of $50,481, an increase of $30,323 over 1905.

To meet the growing needs Grenoble has negotiated a loan of $1,500,000 with which to widen certain streets, demolish old and erect new buildings, including a theater, music hall, hospital, etc., and this in addition to the fine military hospital of fourteen separate structures, now nearly completed. All this with a view not only to permanent betterments and to provide more attractions for visitors, but to broaden the avenues of trade and develop trade interests near and far.

WHAT THE UNITED STATES BUYS.

The totals of exports to the United States in 1906 and 1907 show a pronounced increase over those of 1905, while those of 1905 exceed the average for the previous five years (1900–1905) an average of about $850,000. The increase in 1906—the most noticeable—has been mainly in the line of kid and lamb gloves, and was caused by the unusual demand in the United States, especially for gloves of the longer length patterns. This increase has been more in the value of the gloves than in the number of pairs exported. Of the American exports, 25 per cent to 30 per cent of gloves are consulated at Paris and a considerable quantity of walnuts at Marseille. The following table shows the exports declared from Grenoble to the United States during the past three years:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Chartreuse	$1,723	.....	$3,169	Silico-spiegel	.....	$5,496	$33,547
Emery, uncrushed	20,157	$1,166	50,581	Skins, dressed kid and lamb	$10,595	14,838	18,841
Ferrosilicon, etc	118,748	100,160	113,083	Toys, pyrotechnical	1,066	6,437	12,077
Gloves, kid	911,047	1,956,472	1,722,158	Walnuts	367,308	600,123	474,447
Liqueurs	8,487	13,836	7,493	All other articles	35,223	46,828	19,511
Machinery	3,150	.....	5,254				
Marble and stone	56,418	33,143	13,847				
Paper, photographic	250,430	859,737	483,661	Total	1,784,352	3,138,246	2,957,669

HAVRE.

By CONSUL ALPHONSE GAULIN.

The year 1907 in this consular district was a prosperous one, and, in spite of a certain uneasiness caused during the closing months by the financial crisis in the United States, it enjoyed a period of marked industrial and trade expansion.

The shipping and commercial interests were especially prosperous; the industrial situation was also very satisfactory. The local shipyards, owing in a measure to the bounties granted to the French shipbuilders by the merchant marine act of April 19, 1906, were kept busier than for many years past. The other important industries of Havre and its suburbs, including the gun-making establishment, with over 3,000 men on its pay roll, the wire and rod mills, the copper and lead tube works, the nickel-refining plant, the electrical works, the gutta-percha factory, the soap-making factories, the oil

refineries, the factories for making alimentary pastes, chocolate, and compound lard, all report a good season. The French Government tobacco factory gave steady employment to over 400 persons. The chief exceptions to the rule were the dyewood-extract and rice-milling industries, which suffered heavy losses from fire, the oil mills, which did only an average business, and the radiator company, a French-American concern, whose plant has been closed for a number of months.

The cotton mills at Bolbec, Lillebonne, Condé-sur-Noireau, Flers, la Ferté, the linen mills at Alençon, the agricultural machinery establishments at Cherbourg and Ernée (Mayenne), and the copper works at Dives met with a larger demand than usual. The shoe factories at Fougères, which employ over 11,000 hands, resumed work on a normal basis, and seem to be recovering from the effects of the lockout of 1906. The efforts of the French Government, and of a group of philanthropists, to revive the once-important hand-made lace industry in certain sections of Brittany and Normandy have already proved quite successful.

From an agricultural point of view, conditions were not equally satisfactory. The cereal crops were relatively large and there was an abundant flax crop (this being one of the most important flax-producing regions in France) which was sold at remunerative prices; but the cider-apple crop, which is one of the principal sources of income to the farmers in Normandy, was the smallest but one ever recorded, and, although dairy products were exported in somewhat larger quantities than in recent years, the competition of Danish butter in the English markets was still seriously felt. On the other hand, colza (rapeseed) growers had a fairly profitable year, and market gardening and the raising of Percheron and Norman horses continued to be among the lucrative industries of the district.

SHIPPING AND PORT IMPROVEMENTS.

The general movement of navigation at Havre, entries and clearances combined, amounted in 1907 to 12,709 vessels, with an aggregate tonnage of 8,843,211 tons, against 12,349 vessels, with a tonnage of 8,837,669 tons, in 1906. The number of vessels was smaller than in 1905, but the tonnage figures are the highest on record. The entries and clearances of loaded vessels engaged in the navigation open to competition amounted to 4,071 vessels, with a tonnage of 5,679,975 tons, against 3,914 vessels and 5,303,024 tons in 1906.

The British flag maintained its preeminence in deep-sea navigation, followed by the French, German, Norwegian, Dutch, Austrian, and Belgian flags in the order named. Only one American vessel came into port during the year, but 228 vessels came from American ports carrying American cargoes—104 from New York, 45 from Galveston, 33 from New Orleans, 14 from Savannah, 8 from Mobile, and 24 from various ports.

There was some progress made during the year toward the completion of the tidal quay intended for the benefit of the trans-Atlantic navigation. A matter of considerable interest was the introduction in the French Parliament by the minister of public works of a bill providing for extensive harbor improvements in Havre, the chief features of which are the construction of a tidal basin, a new avant-port, and a new dry dock. The cost of the proposed improvements

is estimated at $16,345,000. If these plans are carried out, the port of Havre will then be in a position to receive at every stage of the tide and furnish with ample dry-docking facilities the largest steamers afloat, and it is expected that a rapid increase of its maritime traffic will follow.

FOREIGN TRADE OF THE PORT.

The total imports of Havre in 1907 established a new high record, having reached 2,386,921 metric tons, against 2,127,644 tons in 1906 and 1,824,063 tons in 1905. The exports were also among the largest, amounting to 897,364 metric tons, against 794,378 tons in 1906 and 739,046 tons in 1905. The value of imports and exports has not yet been given, but, taking as a basis the figures used for the official valuation of 1906, the imports may be estimated at about $260,000,000 and the exports at about $210,000,000. The foreign trade of Havre is more than double that of the port of Boston, which ranks next to New York in the foreign commerce of the United States.

The share of the United States in the import trade of Havre was 18 per cent of the tonnage and over 35 per cent of the value. The smaller proportion in the tonnage is due to the importations of English coal, which amounted to 39 per cent of the total weight of the merchandise entered at this port. The important trade in coffee, cocoa, hides, rubber, wool, dyewoods, and cereals places the South American countries, taken collectively, in the second rank.

The United States leads also in the export trade, followed by England, Germany, Argentina, and Brazil.

INCREASE IN COTTON PURCHASES.

The French textile trade was very active during the past year, and in spite of the high ruling prices and of the absence of long-stapled, high-grade cotton of American origin the quantity of American cotton imported into Havre during the year ended September 1, 1907, amounted to 900,951 bales, against 751,406 bales during the previous season. The importations from all countries during the season 1906–7 were 982,727 bales, and the total sales 919,337 bales. The figures for the calendar year 1907 were 946,745 bales imported and 904,481 bales sold, making this a record year. Since the beginning of the current season importations have fallen somewhat behind, and the stocks on hand on March 14 last amounted to 249,400 bales, against 286,700 bales on the corresponding date of last year.

The relative importance of the various grades of cotton consumed in France is estimated by competent authorities as being the following: Good middling, all lengths, 60 per cent; grades superior to middling, all lengths, 30 per cent; grades inferior to middling, pickings, factor's samples, 10 per cent. Texas and Louisiana cotton are most in demand, but fair quantities are bought from Mississippi, Alabama, and Georgia.

The present method of baling American cotton, although much improved, does not yet give full satisfaction. There is a great deal of waste through torn bagging and broken hoops. Frequent and serious losses in weight are among the principal grievances. Fault is found especially with the shippers from the Atlantic ports.

The outlook for the coming season is rather favorable, most of the French spinners being under contract until the middle of 1909.

AUGMENTED RECEIPTS OF COFFEE.

The total receipts of coffee in 1907 amounted to 3,397,000 bags, representing an increase of 1,649,015 bags over 1906 and of 2,644,644 bags over 1905. The increase is due entirely to the consignments made to local firms by the syndicate in charge of the valorization system of the Brazilian States. The quantities consigned reached 1,883,548 bags, including 1,544,516 bags of Santos and 338,992 of Rio, all of superior quality, but little of which has yet been sold. The table below gives the detailed statistics for the year:

Countries of origin.	Importations.	Sales.	Stock December 31, 1907.	Countries of origin.	Importations.	Sales.	Stock December 31, 1907.
	Bags.	*Bags.*	*Bags.*		*Bags.*	*Bags.*	*Bags.*
Brazil	2,959,358	1,337,042	3,031,683	Malabar	22,316	58,487	25,407
Haiti	200,595	308,590	116,932	Various	22,994	21,298	14,031
West Indies and Central America	182,421	322,974	110,469	Total	3,397,000	2,067,357	3,311,950
Java	9,316	18,966	13,428				

In 1906 the importations were 1,648,985 bags, the sales 1,670,950 bags, and the stock on hand on December 31, 2,009 bags. In 1905 the importations were only 752,356 bags. During these two years and in 1904, owing to moderate crops, the trade drew heavily on the large stocks left over from 1903. The market was generally quiet throughout 1907, and the ruling prices on December 31 were practically the same as on the corresponding date of the previous year. It is estimated that the consumption of coffee in France increased 3.5 per cent during the year, judging by the sales to the domestic market, which amounted to 1,693,000 bags, against 1,631,000 bags in 1906. The stocks on hand in Havre March 6 last were 3,437,477 bags. The importations into Havre from January 1, 1908, to March 14, 1908, were 483,791 bags, against 1,151,650 bags during the corresponding period in 1907.

COTTON-SEED OIL AND OIL CAKE.

In spite of the high prices ruling and of the poor quality of the shipments made there was a substantial increase in the imports of American cotton-seed oil, which amounted to 7,399 metric tons in 1907, against 6,624 tons in 1906 and 5,286 tons in 1905. Compound lard makers still took the greater part of the imports, but there were increased sales of the winter grades, the consumption of which for salad and cooking purposes is becoming more general.

The compound lard trade was, on the whole, satisfactory during the year, although prices reached an abnormally high level. Fat stuffs in general were high, and the demand for compound lard did not suffer. It is difficult to say what the prospects are for the sale of the article for the remainder of the present year, as, on the one hand, lard has dropped considerably, but, on the other hand, the prices for butter have risen very much. This fact will also influence the butterine trade, for which large quantities of cotton-seed oil will be required.

Havre imports of oil cake in 1907 were 22,335 metric tons, against 20,723 tons in 1906 and 26,714 tons in 1905. These figures include the various kinds of oil cake, there being no separate classification in the customs stati cs. The share of the United States was 18,064 metric tons in 1907, inst 17,893 tons in 1906 and 23,780 tons in 1905.

CORN CAKE AND MEAL.

Corn cake is sold in large quantities. The demand for cotton-seed cake is on the decline, and the meal is taking its place. Unfortunately the quality of the goods shipped from New Orleans has been declared very poor, and considerable trouble has resulted. Buyers are not inclined, at this time, to purchase the article. The sale of American linseed cake is actually at a standstill, although some quantities came forward during the latter months of 1907. Prices have declined considerably during the last few months, but the winter has been an open one, and cattle have been able to graze almost continually since the autumn. As a consequence the demand for feedstuffs is not very active.

Local dealers complain that a large number of corn and meal shipments during the past season arrived in a fermented condition, and in many instances damaged to the extent of 50 to 75 per cent. One of the leading importers in France writes:

> Not only were the quality and color of the goods irregular and inferior to the "prime decorticated" grade agreed upon, but the sellers shipped meal two or three years old, although the contracts provided for the new crop. In a lot recently received most of the bags were found bearing the marks: "Season 1905–06" and "Season 1906–07" instead of "Season 1907–08." Such methods are bound to hurt the American export trade.

CONSUMPTION OF LARD.

On account of the relative scarcity of hogs throughout the year 1907 the price for domestic lard was very high, and the importations of American lard were much larger than for many years past. The quantities received were 2,242 metric tons, against 1,331 tons in 1906 and 1,239 tons in 1905.

The packers have been consigning regularly to this market, but the lard has passed quickly into consumption. Prices kept up well until the autumn, but since then the decline has been gradual, and, at the present time (March 14), values are down to a reasonable basis. The difference in price between lard and compound lard, which, a year ago, was nearly 50 francs ($9.65) has now been reduced from 20 to 25 francs ($3.86 to $4.82), and the consumption of the pure article has increased in about the same proportion. Lard has also been benefited by the new food and adulteration act, as many buyers, fearing difficulties, abandoned compound lard until the status of the latter product had been officially fixed. The military authorities have also been calling for lard for the canteens in preference to compound, and this is an element of no little importance. The compound trade has, however, been placed on a satisfactory basis, and grocers may now sell the article under the name of "graisse mélangée" (mixed fat) and not as "saindoux" (lard), as many have been in the habit of doing.

SALTED AND CANNED MEATS.

During the summer of 1907 the French Government consented to withdraw the instructions by which no American meats were to be admitted without the production of a certificate of microscopical inspection, and as a result some small business was done, and shippers sent certain quantities on consignment, mostly fatbacks. Most of these goods found their way to the center of France.

It is only in exceptional years that any business in salted meats is possible, as the duty of $9.65 per 220.46 pounds on meats of Amer-

ican origin is almost prohibitive. Last year the price of hogs was at such a high level that some importations were made, but the future can not be considered as very bright, and even this trade is of a purely retail character. If American meats came under the minimum tariff rate of $5.79 per 220.46 pounds, as do the meats of the principal competing countries, a fair volume of business might be done in certain years.

The consumption of American canned meats in France, although never very important, has been declining for some time past. Prices ruling in the United States are of a higher level than has been reached in many years, and classes who used occasionally to consume these goods can not afford them. There is still some business left in boiled beef with the naval departments and fishing fleets. In the former case it is stated that Australia is becoming a serious competitor, whereas the demand from the latter quarter varies greatly according to the previous season's catch.

HIDES AND LEATHER.

The year's importations of hides at Havre exceeded those of all other previous years, except 1898 and 1895, but the trade suffered from the fluctuations in prices, especially from the downward movement which set in during the month of October and continued practically unchecked until the close of the year. Prices were from 20 to 35 per cent lower on December 31, 1907, than at the end of 1906. This decline is said to have been caused chiefly by the financial crisis in the United States. The hide statistics for the past three years are as follows:

Year.	Importations.	Sales.	Stocks December 31, 1907.
	Pieces.	*Pieces.*	*Pieces.*
1905	1,213,662	1,211,605	64,791
1906	1,420,794	1,392,028	86,141
1907	1,468,943	1,336,018	222,591

The grades of American leather which find the greatest favor in this district are glazed kid and box calf. Exact figures, however, are not available.

American shoes are sold to a certain extent in this region. Their popularity is fully established by the numerous imitations of American makes which are found in nearly every shoe shop. In order to extend this trade it will be necessary to open stores dealing exclusively in American goods. English manufacturers have adopted the "exclusive plan," and are meeting with encouraging success.

IMPORTATION OF WOOD.

The importations of building wood into Havre during the year 1907 amounted to 73,312 metric tons against 61,975 in 1906 and 69,485 in 1905. Practically all of the 5,729 tons of undressed and sawed oak, and of the 5,623 tons of oak staves, and 2,359 tons of the 2,627 tons of walnut received were of American origin. Pitch pine from the Southern States constituted about 20 per cent of the total imports. Of the 54,213 metric tons of wood for cabinetmaking purposes imported into France during the year, 37,703 came to Havre. The Havre import figures in 1906 and 1905 were 38,667 and 35,020 metric tons, respectively. Mahogany is imported in largest quantities. The

imports from the United States during the last twelve months were 4,177 metric tons.

Among the various woods of American origin imported here, pitch pine holds easily the first place. Oak, including staves, comes next in importance, then black walnut, poplar, cedar, red gum, hickory, and bird's-eye maple. There is also a fair demand for cypress, plain maple, Oregon pine, cottonwood, red wood, persimmon, and dogwood. Most of the trade with the United States is still carried on through London, Liverpool, and Hamburg firms. Repeated failures on the part of American shippers to adhere strictly to their contracts have rendered local dealers unwilling to establish direct connections except with well-known exporting concerns of the highest standing. It is believed, however, that a direct trade would be looked upon more favorably.

DECREASE IN GRAIN AND FRUIT IMPORTS.

Abundant crops in France account for the decreased grain imports in 1907. Wheat imports alone showed a slight gain, but the quantity entered for consumption was only 2,892 metric tons. The total imports of oats were 4,426 metric tons against 37,416 in 1906 and 12,272 in 1905. Corn imports fell from 110,468 metric tons in 1906 to 70,305 metric tons in 1907. The receipts of American corn amounted to 28,848 metric tons against 52,140 metric tons during the previous year. The decrease is attributed to the high prices in the United States, which were maintained while the French alcohol trade was going through a severe crisis. The French distillers reduced their purchases and fell back on barley, rye, and rice. The quality of the shipments is reported as having been generally satisfactory.

The decreased imports of American fresh and dried apples were due chiefly to the large apple crop in France in 1906. The French prunes were also abundant and sold at prices with which the California product could not compete. Apricots would have had a good sale, but, owing to the failure of the American crop, were practically unobtainable.

GREAT RUBBER CENTER—EFFORT TO INTRODUCE AMERICAN COAL.

Havre receives on the average two-thirds of the total importations of crude rubber into France. The local imports in 1907 were 8,658 metric tons, against 9,198 in 1906 and 7,470 in 1905. The high ruling prices during the greater part of the year account for the decrease as compared with the previous year. The domestic market takes from 55 to 60 per cent of the quantity received, the remainder being reexported, mostly to England, Germany, the United States, and Russia. The system of "sales by inscription," such as exists in Antwerp, which was inaugurated in 1906, has been continued and has apparently given satisfactory results.

The imports of coal were 942,374 metric tons, against 832,650 in 1906 and 704,757 in 1905. Practically all of it came from England, which supplies the needs of this market.

During the year many inquiries were made relating to the possibility of introducing American coal in this district, and all the important local dealers were interviewed on the subject, but the prices quoted were higher than those at which the English coal was sold. The proximity of the English coal fields, coupled with ample transportation facilities and cheap rates, are decided advantages in favor

of the English miners. A trial shipment was made, however, but it proved unsatisfactory. No other attempts were made. Until American coal can be sold here somewhat cheaper than the English product there are no prospects of building up any trade. The price element is most important in this case.

IMPORTS AND EXPORTS.

The general imports into Havre during the years 1905, 1906, and 1907 are shown in the following table, the quantities being in metric tons of 2,204.6 pounds:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
	Met. tons.	*Met. tons.*	*Met. tons.*	Oils—Continued.			
Caoutchouc	7,470	9,198	8,658	Petroleum, crude and	*Met. tons.*	*Met. tons.*	*Met. tons.*
Carriages and automobiles	85	127	228	refined	48,351	48,481	62,126
Cereals, grain, and flour	116,179	164,354	93,934	Oil cake	26,714	20,723	22,295
Chemicals	12,473	14,541	14,401	Pearl, mother of	4,045	4,807	3,582
Coal	704,757	848,742	942,373	Provisions: Meats, lard, and tallow	3,852	3,849	4,714
Cocoa	38,482	34,524	36,835	Resin, etc	2,963	3,224	3,331
Coffee	65,737	125,490	228,834	Rice	25,084	39,569	29,822
Copper	42,757	53,410	53,878	Seeds, oleaginous	45,804	37,626	55,087
Cotton	179,826	180,126	203,409	Skins and hides, raw and dressed	34,004	35,766	33,349
Dyewoods and dyestuffs	55,353	72,057	72,646	Tin	4,614	4,186	4,435
Fruit	7,430	8,068	7,331	Tobacco	14,560	14,570	14,266
Hair	664	689	591	Vegetables, dried	15,729	20,135	15,530
Horns, hoofs, and bones	8,586	8,151	6,578	Wood, and manufactures:			
Iron and steel manufactures:				Furniture, etc	3,160	2,485	2,796
Hardware	1,118	1,901	1,734	Building	69,485	61,976	73,312
Machinery and parts	19,366	20,609	22,557	Cabinetmaking	35,020	38,677	37,073
Tools, cutlery, etc	165	374	456	Wool	5,414	15,790	10,520
Nickel	49,856	45,125	46,109	Zinc	2,573	1,948	2,258
Oils:				Other articles	140,536	147,255	231,859
Fish	1,418	2,045	1,321	Total	1,824,063	2,127,644	2,386,921
Fixed, pure	11,432	9,522	9,788				
Heavy and petroleum residue	19,001	27,466	28,815				

The leading items constituting the general exports from Havre during the past three years were as follows:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
	Metric tons.	*Metric tons.*	*Metric tons.*		*Metric tons.*	*Metric tons.*	*Metric tons.*
Carriages, automobiles, etc	2,607	4,106	4,356	Medicines	4,701	4,710	5,707
Cereals and flour	7,573	8,600	7,560	Millinery and artificial flowers	1,804	2,262	2,075
Chemicals	10,011	8,031	9,020	Oil cake	4,759	4,740	3,987
Coal	289,373	315,880	357,108	Oils	2,114	2,471	2,789
Cocoa	23,178	21,201	18,312	Paints, colors, etc	1,845	1,760	2,569
Coffee	45,547	49,768	70,024	Paper, and manufactures	6,867	7,707	8,926
Copper	7,258	9,789	9,338	Pepper	1,206	1,428	492
Cotton	7,707	8,255	10,109	Porcelain, glassware, etc	16,346	19,188	31,769
Dyewood extracts	9,259	8,650	6,906	Skins and hides	23,179	24,146	25,325
Feathers	483	416	584	Textiles	34,827	31,500	39,590
Fish	3,690	3,022	2,245	Tobacco	2,895	3,088	3,982
Fruits	2,695	1,903	2,245	Vegetables, tinned and dried	2,065	1,614	3,427
Hair	569	717	697	Vegetable fibers	1,609	2,061	4,877
Iron and steel manufactures:				Wines, spirits, and liqueurs	10,198	8,369	12,345
Hardware	13,817	13,214	17,199	Wood, and manufactures	10,593	11,407	18,525
Machinery	7,277	8,041	9,407	All other articles	178,423	200,196	201,457
Meat products:				Total	739,046	794,373	897,363
Fresh, salted, and canned	1,662	1,784	2,219				
Lard	74	141	93				
Tallow	2,746	2,808	1,090				

TRADE WITH THE UNITED STATES.

The imports into Havre from the United States during 1905, 1906, and 1907 are shown in metric tons in the following statement:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
	Metric tons.	*Metric tons.*	*Metric tons.*	Oil—Continued.	*Metric tons.*	*Metric tons.*	*Metric tons.*
Automobiles, carriages, etc	37	34	20	Petroleum, crude and refined	21,039	23,533	30,075
Bones, hoofs, and horns	381	129	165	Oil cake	23,789	17,894	18,064
Cereals	57,566	91,622	29,304	Pearl, mother of	236	296	251
Chemicals	3,222	3,346	3,248	Pottery, crystal and glassware	20	71	68
Copper	33,368	35,352	40,074	Provisions:			
Cotton	171,086	164,009	191,693	Lard	1,236	1,258	2,103
Fruits, dried and fresh	2,645	3,653	2,974	Meats—			
Hair	164	209	123	Canned	175	220	142
Hides and skins	789	1,569	2,265	Pork, prepared	43	70	47
Iron and steel manufactures:				Salted	47	46	314
Hardware	501	316	447	Tallow	1,211	964	846
Machines, sewing	108	107	94	Tobacco, raw	9,158	9,998	8,552
Machinery—				Wood, and manufactures:			
Agricultural	14,129	13,491	14,800	Cabinet-making	5,102	6,208	4,187
Printing	131	148	165	Common	21,678	26,509	31,547
Tools	1,074	1,733	2,527	Furniture, etc	2,510	2,138	1,340
Oil:				All other articles	15,304	12,577	14,463
Cotton-seed	5,286	6,624	7,399				
Fish	72	84	28	Total	409,989	449,545	433,572
Heavy and petroleum residue	17,882	25,342	26,247				

VALUE AND CLASSIFICATION OF EXPORTS TO UNITED STATES.

The declared value of exports at Havre for the United States during the past three years are shown in the following table:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Alimentary paste (macaroni)	$13,680	$24,305	$36,426	Feathers	$30,488	$23,992	$60,906
Animals: Horses	188,619	89,545	254,620	Glycerin		11,879	19,879
Antimony	13,395	33,421	36,421	Horns	8,787	8,581	6,228
Automobiles	3,624	57,105	46,535	Liqueur: Benedictine	121,388	144,370	113,802
Bristles		609	28,125	Oil, colza	17,784	23,420	29,893
Bronze ingots	37,143	232,096	37,579	Oleo and stearin	50,356	25,502	11,744
Caoutchouc, crude	42,718	565,748	737,663	Pebbles, flint	8,857	73,653	53,096
Cheese:				Seed, clover	47,982	25,322	47,594
Camembert	31,750	52,987	84,699	Skins	413,254	284,658	65,024
Other	1,091	2,159	6,552	Wine, champagne	926	4,451	6,921
Cocoa	30,928	66,144	59,419	Woods	23,045	27,006	16,302
Copper	88,023	158,916		All other articles	297,244	172,658	227,541
Cordage, old	9,832	9,696	6,356				
Dyewood, extract, etc	46,762	62,388	56,900	Total	1,527,676	2,180,010	2,050,024

EMIGRATION—BUSINESS OF THE AGENCIES.

The emigration statistics for the last five years from Havre to the United States were as follows: In 1903, 51,524; 1904, 35,972; 1905, 55,205; 1906, 61,993, and 1907, 66,548. The number of immigrants returning from the United States to Havre were 36,061 in 1907 against 27,377 in 1906.

The exports declared at the Honfleur agency for the United States during the years 1905, 1906, and 1907 amounted to $160,311, $65,311, and $34,336, respectively. The principal shipments in 1907 were: Cheese, worth $22,803; machinery, $1,208, and trees and shrubs, $10,224. The exports from the St. Malo agency to the United States in 1905 amounted to $10,095; 1906, nothing, and in 1907, $4,042, consisting wholly of seeds.

LA ROCHELLE.

By CONSUL GEORGE H. JACKSON.

The importance of this consular district is derived from two sources, the manufacture of Cognac brandy and the maritime interests of La Rochelle. The former entails gigantic agricultural effort, covering a strip of country extending inland from north to south by about the same distance. This industry permits a commerce of about $25,000,000 a year in Cognac brandy.

During the twelve years from 1892 to 1904 this region produced 396,163,040 gallons of wine. In 1904–5 the vintage of the two departments, known as the Charente and the Charente Inférieure, amounted to 39,752,130 gallons of wine, from which was produced 5,673,344 gallons of brandy. Until within two years these wines were used exclusively for the distillation, but during the last two years serious efforts were made to have them known as table wines. In fact they formerly stood in high repute as such, and as early as 1214 their qualities were recognized at the exposition organized in that year by Philip Augustus. It was not until 1630 that these wines were first distilled and produced Cognac or Cognac brandy.

IMPORTANCE AS A SEAPORT.

The importance of La Rochelle as a seaport is dependent on the following:

1. Geographical situation—being the natural door to the wealthy regions of Limoges, Cognac, and the Poitou; the nearest Atlantic port to Switzerland, and within easy reach of Paris (seven hours), Lyon (twelve hours), Nantes and Bordeaux (less than three hours).

2. The tide-water conditions, which permit ships up to 12,000 tons to enter the Pallice dock at any hour, discharge or leave cargo, and sail without delay. Fogs are almost unknown.

3. The artificial conditions—excellent dock, 600 yards long; 30 feet of water; outer port comprised between two great jetties.

4. The rapidly increasing tonnage; the decision of the two important French lines, Chargeurs Reunis and the Messageries Maritimes, to call here; the new South American service by the Pacific Steam Navigation Company. The Dutch lines to the East and Far East have given a very rapid extension to this city as port of call. Indeed, it is practically decided to construct a new dock of great size that will offer to the largest ships harbor accommodation.

In 1906 298 ships with a total tonnage of 237,597 entered and cleared from La Rochelle, using the harbor as port of call only.

SALES TO THE UNITED STATES.

The declared value of exports from La Rochelle to the United States for the past three years was as follows:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Brandy	$1,084,760	$1,316,946	$1,347,794	Paper-machine wires	$2,030	$3,374	$4,464
Cloth, brass wire	16,632	11,595	7,769	Sardines	8,920	29,821	7,875
Gelatin	18,600	4,523	9,639	Other articles	1,576	2,080	589
Gloves		1,620	1,385				
Glove skins	738	5,178	23,599	Total	1,129,070	1,375,690	1,408,326
Moss	814	553	262				

LIMOGES.

By CONSUL EUGENE L. BELISLE.

The commercial and manufacturing business of this district for the year 1907 was not satisfactory. The slight increase in declared exports, as compared with the year 1906, does not reflect the exact conditions, because several nonexporting industries are suffering from lack of business. The most important of these, the shoe factories, the past year reduced their working hours, some to eight hours per day and others five days each week. The tanning and leather dressing industries were seriously inconvenienced owing to the inability to obtain raw hides and skins at reasonable prices. It is the general opinion of dealers that these high prices will be maintained because of the demands of the trade, which are out of proportion to the production of cattle and sheep.

The straw factories, which are quite numerous in this section, faced a similar situation during the first nine months of 1907. The failure of the crops in this part of the country in the summer of 1906 compelled the paper manufacturers to purchase their supply of straw at a greater distance from the factories, and at a greatly increased cost, owing to transportation charges and general shortage in the crop throughout the country.

The printing and binding industry also shows a decrease for the year. The most important publishing houses have made a specialty of religious books as well as prize books for distribution in the schools. The closing of many religious institutions has temporarily deprived them of a great portion of their trade, as they now have only the private schools to supply with books for distribution as prizes.

SHIPMENTS OF PORCELAIN, SKINS, AND WALNUTS.

The constantly increasing exports of porcelain from this district to the United States suffered a temporary check during the past year, owing to a disagreement over customs matters and the disturbed condition of business in the United States during the latter part of 1907.

The export of sheepskins begun in 1906, and expected by the shippers to develop into an important business, has shown a marked decrease during the year. This is owing to unsatisfactory arrangements, which it is hoped will be remedied and the business carried on as originally intended.

The shipments of walnuts from this district show an increase of $88,600 over the preceding year. This is due to a partial failure of the crop in other districts, while the departments in this consular district were favored with a normal crop. The quality, however, is not up to the average. For this reason it can hardly be expected that this increase will be maintained in 1908.

CONSTRUCTION OF ELECTRIC ROADS.

The general council of the department has adopted a proposition in reference to the construction of a system of electric roads in this department. The plan provides for about 197 miles of tracks. The

system will have Limoges as a center, and will accommodate the towns not served by the railroads. Plans of the projected roads are now being prepared under the direction of the department engineers. They will be submitted to the Government for its approval, which will doubtless be obtained, assurances to that effect having been given. All the materials for the construction and equipment of these roads will, according to agreement, be purchased in France.

These roads will carry freight as well as passengers. In fact, there would be little chance of their earning operating expenses with the passenger traffic alone. They should also prove to be a benefit to the residents of this city. With these roads in operation the products of the farm can be taken daily into this important market from greater distances and at less than the present cost.

EXPORTS TO UNITED STATES.

The value of the declared exports at Limoges for the United States during 1905 was $1,804,002; in 1906, $2,175,294; and in 1907, $2,191,909. The leading articles were:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Books	$426	$1,908	$439	Rags	$1,818	$605	$2,744
Bristles	.....	1,353	4,772	Skins, sheep	.....	132,041	87,790
Chinaware	1,590,067	1,795,644	1,767,512	Walnuts	112,628	155,428	244,085
Glue	41,138	39,622	18,605	All other articles	16,091	5,927	3,254
Hatters' fur	33,050	32,405	52,941				
Mushrooms	7,025	9,567	7,936	Total	1,804,002	2,175,294	2,191,909
Paper, filtering	1,759	794	1,831				

MARSEILLE.

By CONSUL-GENERAL ROBERT P. SKINNER.

French foreign commerce is distributed among eighteen fairly important seaports and a very large number of minor ports and frontier stations. The chief maritime gateway of the country is Marseille. The volume of French foreign commerce and the share of Marseille during 1906 and 1907 was as follows, in tons:

Description.	1906.		1907.	
	Imports.	Exports.	Imports.	Exports.
	Tons.	*Tons.*	*Tons.*	*Tons.*
Total for France	32,273,129	11,682,528	33,678,322	12,872,619
Share of Marseille	3,311,172	2,373,665	3,792,295	2,544,298

The declared value of exports from Marseille to the United States was affected by a falling off in shipments of skins, hides, and wool, overcome to some extent by general increases in most other lines. The declared value of such exports, including the value of exports from the subordinate agencies at Bastia, Cette, and Toulon was as follows during the last three years: 1905, $7,424,953; 1906, $8,421,185; and

1907, $8,412,334. The exports from Marseille to the United States during the past three years were as follows:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Bones	$1,530	$10,323	$11,225	Oils:			
Capsules	9,593	14,071	18,906	Castor	$2,882	$9,248	$6,205
Cork and waste	3,865	23,692	45,304	Copra	82,154	141,368	143,044
Drugs, crude	168,315	193,476	172,691	Olive—			
Fertilizer	4,913	15,301	29,023	Edible	321,283	471,404	503,604
Fruits and nuts:				Manufacturing	137,660	181,617	53,992
Fruits—				Peanut	12,695	14,526	17,006
Cherries in brine	9,433	5,050	96,450	Sesame	88,026	85,462	53,010
Preserved	97,392	191,494	172,361	Paper	27,552	23,651	25,225
Pulp	8,112	12,473	19,178	Pease	27,779	7,669	124,838
Nuts—				Pistachios	5,234	15,367	16,563
Almonds	210,771	268,140	631,466	Pitch	17,991	12,349	23,847
Peanuts, shelled	1,229	2,967	73,631	Rags	22,639	48,865	29,976
Walnuts	180,790	218,292	376,619	Ramie	19,128	28,645	21,947
Gelatin	3,920	17,356	24,323	Rope, old	29,905	66,813	29,970
Glue	26,751	16,922	23,458	Seeds	20,392	9,302	45,227
Glue stock	101,871	80,788	143,906	Silk	33,171	11,842	7,478
Glycerin, crude	843,610	802,751	1,025,894	Soap	73,589	76,514	47,593
Hair, animal	116,994	92,466	36,111	Vermuth	189,261	207,392	199,378
Hats, straw and felt	7,027	18,232	21,406	Woods:			
Hides	123,205	160,491	40,276	Brier	.....	37,576	107,565
India rubber	3,465	25,950	27,041	Walnut	29,899	48,945	33,127
Liqueurs	1,941	3,297	13,870	Other	377	3,358	2,240
Macaroni	84,975	76,562	85,251	Wool	601,666	804,066	474,564
Mineral water	11,685	18,666	37,222	All other articles	2,495,844	2,287,999	1,603,623
Ocher	89,040	86,567	91,475	Total	6,349,514	6,947,305	6,787,050

UNITED STATES' SHARE OF IMPORTS.

Of the imports into Marseille, the total and the share of the United States are shown for the following articles, quantities being given in metric tons of 2,204 pounds:

Articles.	United States.	Total.	Articles.	United States.	Total.
	Tons.	*Tons.*		*Tons.*	*Tons.*
Cereals, flour, rice, etc	84,376	570,303	Provisions:		
Extracts, dyewood	49	57	Beef, etc	48	56
Furniture	17	248	Grease, etc	157	271
Lumber, oak	408	889	Lard	1,043	1,190
Machinery, etc	1,752	7,070	Meat, preserved	51	462
Oil seed cake	1,939	21,606	Pork, salted	493	2,111
Oils:			Pork, prepared	392	436
Cotton seed	17,021	26,566	Tallow	4,649	4,923
Heavy, including petroleum residues	13,316	15,766	Staves, etc	3,051	10,265
Petroleum	7,648	8,479	Sulphur, unrefined	371	26,108
Phosphates	1,810	22,517	Tobacco	3,360	7,688

A CONSUMING MARKET FOR WHEAT.

While some shrinkage is observed in the imports of American macaroni wheat at Marseille during 1907, the amount is nevertheless only second to the quantity received from Algeria, while Russia is no longer the most important source of supply. Under the leadership of the Department of Agriculture, the United States is now producing a cereal unknown a few years ago, grown to a large extent upon soils unsuited to ordinary wheats, and a consuming market is found for it in this city. It is now important that American farmers maintain the quality of the grain by careful attention to the seed, soil, and culture. Of the total amount of American wheat imported into France in 1907

(93,801 tons), 80,872 tons were imported at Marseille. Of the total importation of wheat into France (982,742 tons), Marseille received 784,742 tons. Argentina has increased its importations of wheat to France from 19,922 tons in 1905 to 24,299 tons in 1906 and 28,446 tons in 1907. The total imports of soft wheat into Marseille in 1907 amounted to 582,838 metric tons, against 579,235 tons in 1906; the imports of hard wheat during the same years were 201,904 and 211,672 tons, respectively.

SHIPMENTS OF OLIVE OIL—A GREAT WOOL CENTER.

Marseille continues to be one of the world's great markets for olive oil, the exports of edible oil to the United States alone having amounted in value to $503,604 in 1907. Industrial olive oil was shipped to the United States during the same time to the value of $53,931. The edible oil is commonly of high grade, and has stood the test of scrutiny at the hands of American pure-food experts satisfactorily. According to my information, the cases of proved adulteration were exceedingly few, quite exploding the old fiction that American cotton-seed oil is received in Marseille and returned as olive oil. Abuses there are, but in general both olive and cotton-seed oil are bought and sold on their own merits. During the year, in addition to the regional crop of olive oil, Marseille received 12,210 tons from Tunis, 1,695 tons from Italy, 1,137 tons from Algeria, 813 tons from Spain, and 4,142 tons from other countries.

At the end of the year 1907 Marseille wool importers had on hand a stock of 20,500 bales, and the prevailing prices were from 20 per cent to 30 per cent lower than those of 1906. The greater part of the clip of 1907 was sold as fast as it arrived. The stock on hand consists chiefly of 1906 wools whose owners have refused to sell because of the high prices at which they bought. The imports of wool into Marseille in 1907 were 179,897 bales, against 195,678 bales in 1906 and 161,295 bales in 1905.

ELECTRICAL DEVELOPMENT.

The gradual displacement of steam by electricity goes on apace. Progress in this direction will be marked during 1908 by the opening at Marseille of an international electrical exposition. Within twelve months 150,000 horsepower have been taken from the rivers in southern France and distributed among 400 communes. Manufacturing concerns are gradually adopting the new form of energy, with an economy in this city of approximately 25 per cent. The maximum price for electricity permitted under the franchise is 4 centimes (0.8 cent) per kilowatt-hour. Alongside the economic advantages of long-distance power transmission has come the revelation of a possible decentralization of various industries, to the advantage of society and of artistic effort. In the department of the Loire the manufacture of passementeries has been remarkably affected already. In St. Etienne there are said to be 8,000 purchasers of 3,000 horsepower who carry on their work in their own homes. It is recognized that the huge factory, with its thousands of operatives, makes it difficult to inspire the emulation necessary in many industries peculiar to this country and in which artistic feeling must enter.

TRADE CONDITIONS OF THE AGENCIES.

CORSICA.

Consular Agent Simon Damiani, of Bastia, reports that Corsica has been favored with exceptionally good crops during the past three years. Though the citron crop has been rather short, prices have been almost doubled. There has been plenty of olive oil, chestnuts, and wine, these several items constituting the chief resources of the country. Pure and good table wine can be had at from $3.86 to $9.65 per 26.41 gallons and pure olive oil at from $13.51 to $15.44 per 220 pounds.

The exports to the United States during 1907 were valued at $27,378, against $9,782 in 1906.

Quantities of goods for America are not directly exported from the island, thus keeping down the apparent volume of American exports. Thus, while the declared value of brier wood exported to the United States in 1907 was $15,247 and cork wood $10,486, these two items should amount to from $150,000 to $200,000. The articles named are now exported to Italy or France and there resold at higher prices to American buyers.

American importers will find it advantageous to turn to Corsica for many articles, notably citrons in brine, brier wood, cork wood, oil, fresh and dried chestnuts and chestnut flour, and red and white wine.

With a population of 400,000 and no wheat production Corsica imports quantities of flour from France and Italy.

The consular agent also states that a depot for a good brand of flour in bags of 120 kilos (264.55 pounds), and sold at slightly less than prevailing prices, would do a large business and without risk, as dealers in this line are in high standing.

The agent is also inclined to believe that there is an opening for polished iron bedsteads. An American firm is now trying to sell these articles, and with some success. A line of American locks also would do well. It is impossible to sell these articles on special orders. To introduce them a permanent depot would have to be established, where the merchandise could be seen and appreciated.

CETTE.

Consular Agent Carl D. Hagelin reports that the value of declared exports from Cette to the United States was $1,281,382 in 1907, as against $1,220,192 in 1906. These exports consisted chiefly of argols, fruit, rags, seeds, and wine. A notable increase is observable in the quantity of oak staves received at Cette. Prices are high, and importers who are reported to be acting under a trust agreement have large stocks. The wholesale price of staves has been about $17.37 per 100 for standard dimensions of 42 inches in length. Cette imported 74,855 tons of coal, chiefly gas coal. Freight from Newcastle or Cardiff averaged about $1.54 per ton.

Russia and Roumania have proved strong competitors for the important trade in petroleum. The wholesale prices paid to Cette refiners in 1907 ran from $3.81 to $4.15 per 26.42 gallons. Complaint is made by the French refiners that the difference between the duty collected on crude and refined petroleum is insufficient, and both the department general council and the Cette chamber of commerce have petitioned the Government to increase the duty on the refined article.

The total of the principal imports into Cette and the share of the United States during 1906 and 1907 is shown in the following table:

Imports.	1906.		1907.	
	United States.	Total.	United States.	Total.
	Tons.	*Tons.*	*Tons.*	*Tons.*
Lumber	762	20,361	114	22,779
Oil, petroleum:				
Crude	24,636	34,238	22,939	40,796
Refined	15,969	24,551	13,276	22,268
Phosphates	20,229	55,032	17,109	42,604
Staves, oak	9,545	37,527	17,721	61,981
Sulphur	3,050	.....	3,963	26,469

TOULON.

Consular Agent Benjamin A. Jouve reports an increase in the declared value of exports from Toulon to the United States of from $243,904 in 1906 to $316,523 in 1907. The leading articles of export in 1907 were: Bauxite, worth $78,723; bulbs, $164,912; immortelles, $42,071, and cork waste, $30,251.

There is something remarkable in the persistent control of a most valuable export market for certain flower bulbs by the farmers clustered about Ollioules. Mr. Jouve's district also includes probably the only region in the world where immortelles are grown upon a large scale for funeral wreaths. While the use of these wreaths tends to decrease, the exportations of the flowers to the United States have increased.

NANTES.

By CONSUL LOUIS GOLDSCHMIDT.

The principal industry of Nantes and of the whole of Brittany is the preserving of food products, of which sardines form the principal element. Sardine fishing in 1907 was the poorest known in twenty-five years. Sprats were taken in the waters of Finisterre principally and were packed and exported. Other food products, such as "petits pois" (peas), string beans, mushrooms, etc., were shipped in the usual quantities.

About 1,000 tons of salt pork, lard, and other by-products are manufactured in Nantes from hogs raised in the vicinity, which are purchased by the French Government for the army, navy, and the colonial service. Formerly this product reached an output of about 3,000 tons annually.

IMPORTANT INDUSTRIAL CONCERNS.

There are several important manufacturers of sweetened biscuits here; also a number of manufacturers of candies, bonbons, etc., which produce annually about 1,500 tons of these products.

In 1907 shipbuilding in Nantes somewhat revived, and an increase of 6,000 tons is shown over the tonnage launched in 1906. During the year 21 vessels of various types were launched with a total of 7,739 tons, besides 6 gunboats for the Turkish Government and several barges and dredges for the French Government to be used in deepening the Loire and also a torpedo boat.

The production of iron, steel, sheet iron, and tin plate at Basse-Indre, near Nantes, during the past year amounted to 9,666 tons.

The material employed was 30,200 tons of British coal, 4,365 tons of pig iron, and 7,035 tons of old iron. At the foundry and rolling mills at Coueron, 51,000 tons of material was handled, of which 22,500 tons represented the finished product.

The tanneries of this vicinity used during 1907 from 50,000 to 60,000 hides of cattle, 80,000 to 100,000 calfskins, and 150,000 sheepskins. About 4,000 tons of various barks are used annually in these tanneries, besides a considerable quantity of extracts, principally that of the chestnut bark which is produced in this region.

There were 21,000 tons of different kinds of soap produced during the year, and 21,000 tons of cotton seed—all from Egypt—copra, palm seed, peanuts, and linseed used in the manufacture of oil. About 650 tons of glycerin was manufactured, most of which was shipped to the United States. The amount of fertilizers of different kinds imported into Nantes during the year was 269,988 metric tons. About 12,000 tons of bones from Spain, Morocco, and the River Plata were received and manufactured into the following products: Bone fertilizers, 5,750 tons; animal black for refineries, 4,500 tons; glue, 700 tons; tallow, 700 tons; bone lace for gelatin, 300 tons; and buttons, 50 tons.

The paper mill at Chantenay in 1907 manufactured from 18,000 to 20,000 tons of chemical pulp, valued at $772,000, and 10,000 tons of wrapping and news paper. About 45,000 cords of pine wood from Finland and Norway were employed, besides 6,000 tons of pyrites and 40,000 tons of coal.

THE FOREIGN TRADE.

The imports into Nantes during the past three years amounted to 963,596 metric tons in 1905, 1,033,520 tons in 1906, and 1,124,906 tons in 1907. The leading items were as follows:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
	Metric tons.	*Metric tons.*	*Metric tons.*		*Metric tons.*	*Metric tons.*	*Metric tons.*
Alcohol	222	868	536	Lead ore	20,649	18,317	.....
Bones, etc	3,291	4,015	1,079	Machinery, etc	1,273	1,238	15,092
Cereals and flour	1,077	13,521	14,806	Nitrate	16,676	23,296	13,002
Coal and briquettes	479,254	588,231	604,691	Oil, olive	1,177	1,113	823
Coffee and cocoa	1,941	1,611	626	Petroleum	3,693	1,414	510
Coke	1,625	7,282	2,423	Phosphate	117,792	117,799	156,221
Copper	1,426	4,852	890	Pulp wood and pulp	71,498	33,518	82,297
Copra and cotton seed	16,104	11,939	8,100	Rice	14,200	14,828	9,641
Fertilizers	16,385	11,934	18,402	Sugar	23,365	36,294	32,148
Fruit	2,585	2,460	2,841	Tar	10,973	12,522	15,355
Hemp	468	213	188	Wine	10,895	20,229	14,060
Iron and steel	9,941	8,003	5,499	Wood (building)	36,298	92,767	35,054
Kaolin	9,517	9,670	9,973				

The exports from Nantes during 1905, 1906, and 1907 amounted to 88,835, 101,309, and 112,989 metric tons respectively. The leading articles are shown in the following statement:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
	Metric tons.	*Metric tons.*	*Metric tons.*		*Metric tons.*	*Metric tons.*	*Metric tons.*
Building material	12,662	4,381	4,842	Posts for mines	2,309	1,097	657
Cereals and flour	5,240	5,301	13,597	Potatoes	446	119	1,305
Coal and briquettes	10,006	15,043	10,706	Pyrites	7,649	18,928	20,824
Fertilizers	185	4,770	14,801	Rice	721	776	1,188
Fodder	917	404	639	Sugar	6,758	9,947	16,848
Food products	366	791	1,045	Oil cakes	5,013	3,407	1,978
Hardware	2,469	2,915	2,380	Wine, etc	1,015	1,206	1,068
Hoops and staves	3,869	3,881	3,623				

EXPORTS TO THE UNITED STATES.

The value of the exports declared at Nantes to the United States in 1905 was $234,810; in 1906, $279,092; and in 1907, $243,925. The articles were as follows:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Arsenic	.....	$7,572	$2,544	Glycerin	$28,938	$26,701	$19,099
Balata, rubber	.....	9,553	9,180	Goose liver	4,331	2,224	1,693
Biscuits	$1,329	1,043	798	Mushrooms	18,596	19,497	39,626
Bronze, old	.....	29,163	17,954	Pease	3,530	3,585	23,956
Fish:				All other articles	.....	15,793	13,652
Mackerel	855	147	2,384				
Sardines	167,830	158,501	87,689	Total	234,810	279,092	243,925
Sprats	7,814	5,040	24,394				
Other	1,587	373	1,118				

TRADE OF ST. NAZAIRE.

The imports into St. Nazaire during 1907 amounted to 1,167,015 metric tons, against 1,045,165 tons in 1905, while the exports therefrom amounted to 199,734 and 188,986 tons for the two years, respectively.

The most important article imported was coal, which showed an increase of 98,756 tons over 1906, the total receipts in 1907 being 973,624 tons. Of this amount the United Kingdom furnished 917,562 tons and Germany 56,062 tons.

The principal article of export in 1907 was iron ore. This ore is brought from the Department of the Loire-Inferieure to St. Nazaire by rail and thence shipped to the Netherlands, the exports amounting to 75,110 tons last year, as compared with 67,845 tons in 1906. Pit wood was the next largest item of export, of which 15,662 tons were shipped in 1907, against 13,867 tons in the previous year. This wood is of oak and goes to England.

Shipbuilding is the most important industry in St. Nazaire. During 1907 two mail steamers were delivered for the line from Havre to the West Indies. There are several vessels in course of construction, including the building of a turbine steamer which is to run between Marseille and Algiers. When this vessel is completed work will be begun on the largest vessel ever built in France. There are also being built a number of war ships for the French Government.

NEW ENTRANCE TO THE PORT.

A new entrance to the port was opened in September, 1907, rendering access to the docks much easier for all shipping. It consists of a lock about 703 feet long and 100 feet wide, furnished with double caissons and protected by an outer port from sea and wind. The outer port is formed by two converging jetties, projecting out into the sea for a distance of 1,640 feet to a point where the water attains a depth of about 19.5 feet. The distance between the outer extremities of the two jetties is about 400 feet.

The outer harbor contains an exterior wharf 493 feet long alongside the eastern sea wall, with a depth of water of about 26 feet at low tide, or about 33 feet at high tide.

In the interior of this outer harbor, alongside the same jetty, there is a tidal wharf 492 feet long and 82 feet wide, with an anchorage 688 feet long and 98 feet wide, with uniform depth of 25.6 feet.

ANGERS AGENCY.

By CONSULAR AGENT LEON PONSOLLE.

Considerable American goods are received in this district, either through Paris houses or the seaports. American agricultural implements are in great favor, although they meet with competition from English machines and by some machines manufactured here. American oil stoves and scales sell very well here and there is considerable demand for them; also there has been an increase in the sales of lubricating oils. Special grades of American steel have been tried and gave excellent satisfaction. Machine tools of American make enjoy a high repute here, and although at a much higher price than German and French manufactures they sell readily, owing to their superiority. Preserved fruit, if well advertised, would sell here, as fresh fruit is very scarce.

SALES TO THE UNITED STATES.

The value of the exports declared at the Angers agency to the United States during the past three years was as follows:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Books	$970	$1,032	$1,579	Wine:			
Chemicals	5,953	24,491	26,145	Sparkling	$8,590	$9,503	$9,570
Liquors	191	442	458	Other	411	169	780
Plants	76,426	77,896	76,592	All other articles	20,796	4,046	4,506
Rags	4,041	5,221	6,069				
Seeds	42,711	51,327	18,684	Total	166,570	182,529	151,140
Soap	6,481	8,402	6,757				

The decrease of $31,399 in the exports for 1907 as compared with 1906 was due to the failure of the clover-seed crop.

BREST AGENCY.

By CONSULAR AGENT A. PITEL.

The only important industry in the Department of Finistere, of which Brest is the chief city, is that of canning of sardines and other fish. Unfortunately the sardines seem to have become very scarce along this coast and for the last three years the catch has been small, consequently manufacturers have gone into canning sprats, a smaller and inferior fish, the greater part of which are shipped to the United States.

The value of the exports to the United States during 1907 was $327,730, being an increase of $57,369 over 1906, but a decrease of $19,198 from 1905. The leading items during the past three years were as follows:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Bristles	$23,210	$8,879	.....	Rags	$7,415	$9,483	$24,625
Fish:				Vegetables	.....	.....	18,385
Mackerel	.....	4,182	$1,482	All other articles	488	3,227	1,502
Sardines	203,822	82,275	60,015				
Sprats	110,351	161,867	218,311	Total	346,729	270,361	327,730
Moss	1,443	448	3,310				

The principal imports in 1907 were as follows: Coal, 120,000 tons; lumber, 27,000 tons, of which 1,200 tons of yellow pine came from Florida; wine, 8,000 tons; phosphate, 12,000 tons; wheat, 7,500 tons; and tar, 3,200 tons.

NICE.

By Consul William Dulany Hunter.

The past year was a prosperous one for this district, and there was a steady rise in almost all shares of the industrial and commercial undertakings of Nice. The building of new roads and the improvement of old ones required an outlay of about $3,200,000. Four new lines of tramways have been opened, and their total length is about 8 miles. There are under construction or projected eight lines with a total mileage of 152 miles. It is expected that these lines will be completed within the next five years, with the help of a subsidy from the Government.

A sewerage system, which it is expected will be completed this autumn, has been partially developed at Nice, and many other necessary steps have been taken for the hygienic improvement of the town. Two new schools have been built, and the project has been adopted for the construction of a large college. The palace of the prefecture has been enlarged, and several public buildings have been partly constructed.

IMPROVEMENT IN RAILWAY SERVICE.

At Cannes and Mentone, as well as in the smaller towns of the maritime Alps, very marked improvements in the line of building have been accomplished. With the exception of a small railway line of 8 miles going to Pont-de-Guaidan, no railway line was opened, and the advancement of the projected lines to connect Nice with Cuneo in Italy has been slow. There was during last year a decided improvement in the railway service, as well as in the number of trains connecting Paris with Nice, as in the opening of a new "train de luxe" between Cannes and Rome; and the schedule time has been in many cases lowered.

The pier of the new harbor is nearly completed, and the wharves of the outer port have been begun. It has also been decided, and the work will shortly be commenced, to drag the harbor to a depth permitting ships drawing 22 feet to enter it, instead of vessels drawing only 19 feet, as is the case at present.

There have been four movable electric cranes installed, and after these improvements have been carried out there will be without doubt a large increase in the shipping movement of this port, which is now limited owing to the want of wharf accommodation and the impossibility of ships drawing over 19 feet entering the harbor.

The postal line conecting Nice with Italy and Corsica is, by the new government contract, obliged to run its steamers at 14 knots an hour instead of 10 knots, as before.

TOURISTS—CULTIVATION OF FLOWERS—CORK PRODUCTION.

The prosperity of this district being especially influenced by the number of tourists who visit it for health or pleasure, the hotel industry plays an important part in the general welfare of the inhabitants, and though several very large hotels were opened this season for the first time, the hotel keepers claim to have had a good average season, notwithstanding that fewer Americans were here last winter than were expected.

It is unfortunate that one can find so few articles of American origin in the stores here. The principal articles of American origin on sale are machinery, tools, hardware, locks, sanitary arrangements, soaps, shoes, and watches, all of which are imported indirectly by second or third hand, and their prices are therefore very high.

According to statistics furnished by the Chamber of Commerce of Nice, $3,500,000 worth of flowers were cultivated for commercial purposes in the Department of the Maritime Alps during the year 1907. The orange and lemon production was considerable, the exportation being 9,000 tons, valued at $260,000. The wine, vegetables, and other garden products, although considerable, do not meet the local demands, and the same is to be said of the fish consumed here. Only sardines and anchovies are obtained in abundance and exported.

The cork production is estimated at $500,000 a year, but the output of the factories of the district is much larger, as the cork is brought here from outside to be handled.

One hundred and seven tons of raw hides were exported, for the most part to Italy. The wool produced in the Department yearly is estimated at 80 tons, the price being 13 cents a pound.

INDUSTRIES OF THE DISTRICT.

The industries of this district are not important. With the exception of perfumery and the products of oil refineries, few articles manufactured here are exported in large quantities. The perfumery establishments at Grasse, which, with two exceptions only, distilled what is known as "La Matière Première," did not have a prosperous year in 1907. The Chamber of Commerce estimates the export of this commodity at $5,000,000.

The growth of olives was the same as in previous years. The exportation of olive oil from the district was more than $1,000,000 last year. Artistic potteries and glass tiles are exported to foreign countries, amounting to $500,000 yearly.

There are also manufactured in this district macaroni and other kinds of pastes so successfully that the manufacturers have been able to compete with the importation of Italian products of such classes. The yearly output of such commodities is estimated at $1,200,000.

Another branch of industry is the manufacture of candied fruits in small confectionery shops. It is very difficult, according to the statement of the president of the chamber of commerce, to give an approximate value of the amount exported, as the fruit is generally sent away by post, but he considers that $2,000,000 yearly would be no overvaluation.

There are several large distilleries in this consular district which export bitters, principally to South America; their yearly output is estimated at about $600,000.

PRINCIPAL IMPORTS.

Coal is one of the principal imports into this district, amounting to 12,584 tons last year, most of which came from Great Britain.

Cereals, wine, oil, and lumber are important importations. Cereals are brought from Hungary, Russia, Roumania, and Asia Minor, and in small quantities from Algeria and Tunis. Olive oil is imported

from Italy, Spain, Algeria, and Tunis; lumber from Hungary, Norway, and Sweden; wine from Algeria, Tunis, Italy, and Spain.

During 1907 there were 2,461 ships of 582,027 tons entered at the several ports of the district and 2,392 ships of 550,272 tons departed. This was an increase of 55,003 tons on the ships entering and 47,006 on those departing.

EXPORTS TO THE UNITED STATES.

The declared value of exports from the Nice consular district to the United States during 1907 was $1,461,598, which was a decrease of $40,368 from 1906 but an increase of $202,213 over 1905. During the past three years the value of the items were as follows:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Confectionery	$5,380	$6,816	$4,771	Perfumery	$897,422	$1,108,796	$1,082,810
Fruit, in sirup and brine	1,677	2,133	12,856	Pottery	1,534	880	1,154
Furniture	816	4,900	897	Sardines	9,262	5,828	1,759
Linen	5,635	12,975	7,654	Vanilla	19,022	22,631	27,117
Oil:				Wines and spirits	4,152	4,697	1,408
Almond	14,670	13,080	11,016	Works of art	2,877	444	1,228
Olive	245,068	296,242	296,923	All other articles	51,650	22,281	12,005
Other	220	263		Total	1,259,385	1,501,966	1,461,598

PARIS.

By CONSUL-GENERAL FRANK H. MASON.

The total number of invoices certified at the Paris consulate in 1907 was 34,618, an excess of 1,169 over the record of 1906 and the shipments of the two years. Their declared values given in American currency equivalents were as follows:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Animals: Horses	$504,812	$1,035,424	$414,217	Colors and artists' materials	$206,416	$491,343	$211,032
Art works:				Costumes	1,601,545	1,734,206	1,700,601
Antiquities	23,510	663,259	82,481	Curtains and nets	456,813	945,652	543,793
Paintings and engravings	2,565,534	3,588,404	2,091,136	Drugs and medicines	305,238	271,928	254,646
Statuary	86,220	203,898	108,702	Fans	95,736	130,062	85,060
Books and prints	256,318	290,460	385,136	Food products	331,916	538,538	1,084,499
Bristles	80,321	239,289	136,548	Fancy goods	417,704	648,087	4,520,230
Bronzes	800,452	431,766	429,142	Furniture	582,315	509,185	626,711
Brushes	524,289	556,419	651,215	Furs	504,419	592,441	554,129
Buttons and beads	454,059	435,821	628,346	Glassware	263,015	196,557	223,691
Carbons and electric supplies	54,982	280,005	501,462	Gloves	821,905	1,448,282	939,958
Carpets	81,607	80,163	54,376	Glue and gelatin	123,650	105,510	117,713
Cars, carriages, other vehicles, and parts:				Glycerin	294,304	77,772	173,302
Automobiles	2,456,904	2,237,191	2,800,913	Hair	98,407	77,293	119,087
Automobile accessories and tires	447,414	2,526,246	1,338,909	Handkerchiefs	43,412	73,934	72,331
Carriages	12,880	9,066	20,507	Hatters' fur	996,662	594,335	331,344
Chemical products	224,519	288,600	616,735	Hides and skins	3,927,363	4,966,606	7,431,302
China and earthen ware	255,223	209,268	252,672	Hosiery, underwear, and corsets	847,991	867,145	994,335
Church ornaments	97,906	119,015	99,621	Household and personal effects	108,905		539,954
Clocks, watches, and parts	1,275,970		175,337	Instruments:			
				Musical	151,447	174,276	235,349
				Scientific	27,231	58,819	44,138
				Iron and steel			286,278
							126,000

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Jewelry	$590,280	$699,206	$680,146	Tapestry	$115,764	$160,173	$167,080
Laces and embroideries	1,231,187	1,732,219	2,074,647	Textiles:			
Leather, and manufactures:				Cotton	544,922	703,226	830,878
Boots and shoes	4,248	28,441	6,260	Linen	301,287	978,577	633,576
Other	152,702	150,131	134,547	Mixed	1,498,863	334,269	1,595,772
Lingerie	513,982	1,006,582	1,032,541	Silk and velvet	629,314	691,936	326,771
Metal ware	171,871	304,866	943,814	Wool	717,581	1,325,401	1,045,498
Millinery goods	3,600,679	5,132,920	6,882,585	Toilet articles	248,678	275,068	356,796
Optical goods	551,839	534,197	585,996	Toys	189,407	266,926	245,671
Paper and stationery	233,351	345,343	159,651	Umbrellas and canes	26,233	10,890	19,939
Perfumery and soap	1,132,426	1,292,965	1,308,609	Upholstery	318,248	537,925	274,298
Photographic supplies	33,933	560,768	1,206,152	Vanilla	91,012	360,149	366,372
Platinum and iridium	619,497	1,204,759	709,015	Veilings	436,639	531,038	1,207,094
Ribbons	142,346	154,340	302,468	Wines and spirits	156,377	185,387	204,149
Rubber and rubber goods	728,263	168,933	139,149	Wood, and manufactures	185,832	158,345	54,683
Seeds	336,445	423,749	374,402	All other articles	1,400,236	2,278,546	3,420,196
Suspenders and elastic goods	88,813	179,234	289,417	Total	42,162,653	59,037,082	62,355,724
Stones, precious, imitation, and pearls	2,912,769	8,125,817	2,775,715	Returned American goods	290,044	258,242	910,749
				Grand total	42,452,697	59,295,324	63,266,473

ARTICLES OF LUXURY FORM HALF THE SHIPMENTS.

With one exception, hides, every item which shows an export exceeding $1,000,000 during the year belongs to the category of luxuries. With the one exception the principal articles of export were automobiles and accessories, paintings, dress goods, millinery, trimmings, laces and embroideries, lingerie, veiling, perfumery and soap, precious stones, photograph and cinematograph accessories, and fine food products. These thirteen items constitute $33,527,803, or more than half the entire sum of all shipments from this district during the year.

For the reason that an overwhelming proportion of all exports to America from this district belong to the categories of articles of luxury and taste, rather than to essentials of daily life, they have been naturally among the first to feel the effect of the blight which fell upon American prosperity during the months of October and November. Until near the close of November the outward flow of invoiced shipments continued unabated, and at that time far exceeded the record for the corresponding eleven months of any preceding year. Then, as a result of the paralyzed retail trade at home and the difficulty on the part of certain importers of obtaining money with which to pay import duties, shipments suddenly slackened, orders for winter and spring deliveries were reduced or canceled, and the year closed upon a situation of anxious uncertainty among manufacturing exporters in this district. As an indication of the extent of this depression it may be stated that whereas during the first forty days of 1907 4,085 invoices of goods for the United States were declared at the Paris consulate, the record for the same period in 1908 was only 3,191 invoices, a loss of something more than 20 per cent.

RHEIMS.

By VICE-CONSUL WALTER STANFORD.

The declared value of exports from Rheims to the United States during 1907 was $6,926,701, being a decrease of $147,342 from 1906, but an increase of $545,759 over 1905. The leading articles were as follows:

Articles.	1905.	1906.	1907.
Antimony and caoutchouc	$36,459	$41,019	$33,870
Buckles	7,240	8,976	10,745
Chloride of lime	22,668	21,912	17,482
Confectionery, etc	22,577	26,987	30,329
Cotton manufactures	72,054	104,035	89,897
Crockery	14,921	16,034	24,013
Glass and glassware	84,730	90,765	75,017
Gloves, kid	363,033	563,211	601,372
Hats, straw	18,887	3,240	15,006
Hosiery	309,597	340,691	281,458
Iron and steel, and manufactures of, n. e. s	51,472	34,063	24,788
Machinery	15,074	29,076	47,910
Paper, printing	8,755	13,208	13,542
Skins, sheep	1,865	84,228	99,839
Statuary, plaster	10,858	12,828	11,173
Willow ware	52,246	54,823	67,768
Wine, champagne	5,205,403	5,600,039	5,357,956
All other articles	83,103	128,908	124,536
Total	6,380,942	7,174,043	6,926,701

ROUBAIX.

By CONSUL CHAPMAN COLEMAN.

Roubaix, a city of 121,000 inhabitants, is the center of the industrial activity of this district, and especially of its textile industry, and the fabrics of its looms have carried the name of Roubaix to all quarters of the world. Other and kindred industries, such as those conducted in the immense spinning, dyeing, combing, carding, and finishing establishments of the city, and originally carried on elsewhere, have naturally sprung up around the parent weaving industry to supplement its work. According to a report of the mayor, the textile industry of Roubaix is now served by the following establishments: Twenty-seven for weaving by hand looms exclusively, a method by which exceptionally excellent results are attained in certain lines of production; 57 for weaving by mechanical power only; 18 for weaving by both hand and power; 6 for weaving à façon—that is, under special contract order, and with materials supplied—20 for combed wool spinning; 5 for carded wool spinning; 1 for silk spinning; 13 for cotton spinning, which employ about 700,000 spindles; 9 for wool combing, employing 1,037 combing machines; 37 for dyeing, mixing, and printing; and 20 for finishing processes, such as shrinking, ironing, pressing, etc. The display and negotiations for the purchase of finished textile products takes place in 92 establishments, situated in this city, and known as dépositaires.

REVIEW OF GENERAL SITUATION.

Contrary to apprehensions expressed early in 1907 in regard to a general stagnation of trade, it was found that an average degree of prosperity attended the trade of that year.

The imports into and exports from this consular district for 1907 amounted in value to $196,665,059, the exports to $111,904,039, a great increase being shown in both over corresponding values in the preceding year. It is to be borne in mind, however, that these figures do not wholly apply to imports for consumption nor to exports of domestic products. This consideration applies with especial force to imports. A very considerable part of the merchandise entered at the seaport of this district, Dunkirk, has for its ultimate destination regions of France situated without the Department of the North, and productions other than those of that department find an outlet through Dunkirk. Statistics respecting imports and exports afford no more precise data as regards this district than the figures above cited.

There are no statistics available showing imports into this district from the United States, but all indications point to a considerable increase in value over 1906.

As regards exports to the United States from this district, the declared invoice value for the calendar year 1907 was $2,634,860, showing an increase of about 4 per cent over that of 1906 and of about 25 per cent over that of 1905. The declared export values were, for Roubaix and its three dependent agencies, as follows: Roubaix, $1,857,476; Lille, $532,778; Caudry, $149,375, and Dunkirk, $95,231. These values show a decrease from those of 1906 in the case of Lille alone, and an increase in the case of Roubaix, Caudry, and Dunkirk, amounting for the last named to about 300 per cent. As regards specific export articles, increases in values for 1907 over the preceding year are shown in regard to dress goods, upholstery, laces, yarns, glass, and chalk, while decreases affect chiefly flax, linen goods, machinery, greases, colors and dyestuffs, potash, textile waste, and rags. As regards the very large increase in export value to the United States from the Dunkirk agency, it is found to be due to heavy shipments from that port of empty barrels and jute, articles not heretofore exported, and of chalk.

BUSY YEAR IN THE WOOLEN INDUSTRY.

Dealers in raw wool were, in general, prosperous, and quotations were firm, with a tendency to rise, during the greater part of the year. Results in combing mills were not altogether satisfactory. In the beginning of the year work was fairly steady, improved throughout February, March, and April, suffered in consequence of strikes in May, attained an average in June, declined in July and August, and thereafter and for the remainder of the year fell to a low point, as is usual in this industry.

The average price for combed wool per kilo (2.20 pounds) for the year 1907 was $1.15, against $1.30 for 1906, and was the highest but one since the terminal market was established in 1888, the highest having been noted during the wool crisis of 1890.

The quantity of textiles, consisting of wool and cotton, raw and combed, and of silk, wool greatly predominating, passed through the conditioning houses in this district during the year 1907, amounted to 205,097,691 pounds, against 211,942,557 pounds for the preceding year, a decrease of 6,844,866 pounds, or of about 3 per cent. Great activity was shown in carded and combed wool, many mills working night and day to fill contracts.

Manufacturers of woolen dress and cloth goods were in the main fairly busy, but toward the end of the year working hours were reduced and a large number of looms was stopped. Firms doing business with the United States were, however, actively engaged during the greater part of the year. The declared value of the export to the United States for 1907 was $1,347,842, an increase of $53,207, or about 4 per cent, over that of the preceding year.

For upholstery goods the year 1907 did not begin well, but improved from May to July, becoming dull toward the close of the year. The declared export value of such goods to the United States was $435,948, showing an increase over that of 1906 of about 7 per cent.

Dyers and finishers in wool have had in the past year one of average prosperity, but several strikes in this industry caused interruptions in work, and necessitated for the time being, and at increased cost, its conduct elsewhere.

SATISFACTORY SALES OF COTTON GOODS.

For spinners of coarse and medium numbers of cotton yarns, spun almost entirely from American cotton, the year 1907 was the most prosperous during a period of many years. At the beginning of the year single and twisted yarns were in large demand, while toward its close coarse numbers were generally favored, owing to the scarcity and high price of flax, and found ready sale at good prices. Twisted yarns were very active during the first three quarters of 1907, but fell off rapidly during the last quarter; and at the end of the year were very dull. Sewing thread had an average sale, the manufacture of this article having become precarious on account of the high price of spun yarn, and the difficulty of obtaining a correspondingly high price from buyers.

From the report of the consular agent at Caudry there was a great increase in the declared export value from that agency to the United States of certain cotton goods, known as plain and net, its most important export article to that destination. This value amounted to $125,775, and showed an increase over that for the preceding year of about 200 per cent. Although the total of export values to the United States from the agency of Lille has sensibly decreased below that of the preceding year, it appears from the agent's report that the value of cotton yarns, an important production of the district, exported to the United States in 1907, amounted to $35,368, being an increase of about 600 per cent over that of the preceding year.

ACTIVITY IN THE METALLURGIC INDUSTRY.

In general there was considerable activity in the metallurgic industry throughout the year 1907, most of the plants working on full time during the first six months of the year. During the remainder of the year there was diminished activity, the manufacture of automobiles becoming dull and affecting brass foundering unfavorably. Bridge and other iron construction were fairly active, notwithstanding the total absence during the year of demand for public works. Boilermakers had a prosperous year, and hold unfilled contracts that will require months of work, so that important orders for such material had to be given by the State to foreign establishments. Iron and steel founders were kept busy, and attained a maximum of produc-

tion. Manufacturers of locomotives and railroad materials were actively and profitably engaged, owing to an existing shortness of stock in these articles.

Such products of metallurgic industry as are invoiced from this district to the United States consist mainly of old machinery shipped from Roubaix and imported by French millers, who have recently established textile mills at Woonsocket and elsewhere in Massachusetts, and of sugar-making machinery and small locomotives, shipped mainly to Porto Rico from the Lille agency district.

DECREASE IN THE PRODUCTION OF SUGAR—DISTILLING STATISTICS.

The crisis existing in the sugar industry continued throughout the year, and led to the closing of fifteen sugar mills. The production of sugar in this district during the last season amounted to 640,000 tons, as against 670,000 tons in the preceding season. This decrease is accounted for by the more remunerative prices offered for grain, and has been accompanied by an increase in price of sugar from $5.02 per 220 pounds for the preceding to $5.40 for the last season, and by a considerable reduction in export.

Notwithstanding the large production of alcohol made from the white beet during the season from October 1, 1906, to September 20, 1907, amounting to 1,131,000 hectoliters, quotations were maintained at an average price of $8.35 at Paris and $8.10 at Lille per hectoliter (26.42 gallons), owing to commercial demand, speculation, and the deficit in the production of alcohol made from mélasse. The prices offered by distillers for raw material were such that farmers were induced to plant the beet more extensively. The production of alcohol made from mélasse amounted only to 492,000 hectoliters for the season 1906–7, against 789,000 for 1905–6, and it is expected that next season will show an even larger deficit. The branch of this industry which has made the greatest progress is that of denaturing alcohol for industrial purposes. The consumption of this article rose from 472,000 hectoliters in 1905 to 545,000 in 1906. Official figures for 1907 have not yet been published, but it is understood that the amount will not be less than that last mentioned. There is no export of this article from this district.

The coal, coke, and patent fuel industry has been very prosperous throughout the past year. The production for 1907 was 8,433,774 tons, showing an increase over that of the preceding year of 951,535 tons, or of about 12 per cent. This increase of production may be accounted for by the reduced number of strikes in the industry during the past year. Owing to the great need of fuel for its extensive industrial establishments, this district exports practically no coal, but imports considerable quantities of the article from England and Belgium.

IMPORTATIONS FROM THE UNITED STATES.

No definite statistics are available as to amounts or values of American merchandise imported into this district. In fact, such merchandise, with the exception of some staple, bulky articles, finds its way to this market almost exclusively through the medium of large importing and distributing houses located at Paris. The following American articles, however, find a more or less steady, and in some instances an increasi[illegible]e, despite foreign and, in particular, German competition: [illegible]ural and other tools, sew-

ing machines, electrical apparatus, typewriting machines, cash registers, boots, shoes, and other leather goods, fruits, desks and other office supplies, and, to a certain extent, cereal preparations.

To the close of the calendar year 1907 the effect on trade of the recent financial crisis in the United States was apparent, in so far as this consular jurisdiction is concerned, only in the Lille agency district, where a considerable decrease in export values to the United States took place, in comparison with those for 1906, while increases have been noted at Roubaix as well as at the agencies at Caudry and Dunkirk. Since the opening of the new year, however, marked and persistent decreases in export values have been observed throughout this consular district. It may be further noted that a considerable number of workmen in the textile industry who had gone to the United States and found employment have recently, after losing that employment, come back to this district with the intention, however, of returning to America when improved conditions may warrant.

SALES TO THE UNITED STATES.

The value of the articles declared for export from Roubaix to the United States in 1905, 1906, and 1907 was $1,345,827, $1,775,876, and $1,857,476, respectively. The leading items were:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Cotton thread waste	$2,752	.....	$17,749	Potash	$10,886	$43,204	$28,544
Dress goods	738,637	$1,294,635	1,347,842	Upholstery goods	365,773	388,710	410,313
Grease	10,339	9,760	7,901	Wool, and woolen goods	166,852	15,353	2,669
Hair, cow	2,603	1,000	5,502	All other articles	35,530	7,475	2,622
Leather goods	1,351	6,089	6,232				
Machinery	6,237	5,493	27,560	Total	1,345,827	1,775,876	1,857,476
Paper tubes	4,867	4,157	642				

CAUDRY AGENCY.

By Consular Agent Hans Dietiker.

The trade in this market increased during the last year up to the time of the American crisis, which, for one month, checked the usual transactions and caused a great shrinkage in orders for valenciennes and plain nets for embroideries. The market was less affected than at Calais, where are made principally valenciennes on 12 and 14 point machines, while in Caudry the plain and mosquito nets and laces are made on 9-point machines. The latter for the present are making silk nets for millinery, and are largely occupied and can not suffice for the orders received from Paris, the United States, Germany, etc. The transaction in purchases of the raw material and sales of the production at Caudry were valued in 1907 at $8,000,000, which was very good, to say the least of a place of 11,000 inhabitants.

SALES TO THE UNITED STATES.

The exports declared at Caudry to the United States during the past three years were as follows:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Baskets	$1,055	$1,588	$2,192	Laces	$165	$586	$2,743
Cotton goods:				Silk, waste	.....	.....	2,465
Net	67,319	82,260	130,657	Other articles	9,722	9,902	547
Other	4,388	2,497	3,010				
Handkerchiefs	8,664	9,295	7,631	Total	91,313	106,128	149,375

DUNKIRK AGENCY.

By CONSULAR AGENT BENJAMIN MOREL.

The traffic of the port of Dunkirk continues to progress; the extension of the docks has begun and their completion, which can not be expected to take place for several years, will make further quay space available, which is urgently needed.

Trade with the United States remains unchanged, but as the French Compagnie Transatlantique has opened a regular line between Dunkirk, New York, and Bordeaux, no doubt the commerce of this port and the United States will greatly increase. I have on several occasions recommended that such a line be opened because of the remarkable position of the port, which is the outlet of the richest industrial and manufacturing centers in France. Its connection with the great production centers of the country through a wonderful and extensive canal system and network of railways, its short distance from centers of textile manufactures, and its other facilities make it a desirable port to secure traffic between the United States and France.

The city of Dunkirk is yearly becoming an important industrial center; several new industries are being erected, such as the manufacture of preserves, hemp spinning, pease crushing, beetroot drying, etc., which will lead to the building of many workmen's houses.

The total net tonnage of the vessels that entered and cleared at the port in 1907 was 4,559,246.

EXPORTS TO THE UNITED STATES.

The value of the declared exports from Dunkirk to the United States for the past three years was as follows:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Barrels, empty	.....	.....	$19,750	Spelter	.....	.....	$1,739
Chalk	$25,096	$16,311	39,668	Other articles	$26,932	$3,034	1,414
Jute and jute yarn	855	.....	23,188				
Rope	7,399	4,080	3,566	Total	60,282	24,489	95,231
Seed, poppy	.....	963	5,906				

LILLE AGENCY.

By CONSULAR AGENT CHRISTOPHER J. KING.

The business situation of the district of Lille is less favorable than one year ago, when the linen industry entered upon an era of almost unprecedented prosperity. The large orders, the empty warehouses, the cheapness of raw material, the very high prices asked for yarns, and the expected duration of such conditions seemed to map out a bright future for the linen industry. A change, however, has taken place, due to the troubled state of business in general.

Though the cause of this situation may be attributed to the American market, manufacturers realize that there is too much flax or linen goods at high prices. Linen, while benefiting from time to time by the demands of fashion, is destined, owing to the cheapness of cotton, to remain an article for use in the household where its qualities are fully appreciated. Forced prices place it beyond the reach of the majority of consumers, reduce sales, restrict output, and cheap cotton is there to replace it advantageously.

CONDITION OF THE FINE COTTON-YARN TRADE.

The marked extension in recent years of the Calais lace trade with the United States permitted a corresponding increase of activity and development among the spinners at Lille. New works were erected, spindles doubled, and new projects were far under way toward realization. The great drop, however, in the lace trade with the United States caused not only a shut-down at Calais, but much disquietude to the spinners making a specialty of fine cotton numbers. The market for fine numbers is now at a standstill, and though the situation is not critical, the spinner has been brought to appreciate the considerable part contributed by the lace trade with the United States toward the prosperity and development of the industry of fine spinning. Moreover, the rapid progress of the lace industry in the United States has decided the spinner here to look to the United States for the consumption of a large quantity of fine yarns. This movement is being carried into execution and renewed efforts are being made to offer fine yarns to the lace-making industry. Such yarns, therefore, as were monopolized by the Calais and Caudry lace makers will be placed upon the American market. Whether these yarns will be able to compete in fineness with American yarns is a question, but at all events the lace industry of the United States will be assured an abundant supply.

CLASSIFIED EXPORTS TO THE UNITED STATES.

The exports from Lille to the United States in 1907 amounted to $532,778, being a decrease of $100,970 and $69,802 from those of 1906 and 1905, respectively. The exports by articles for the three years mentioned were:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Colors and dyestuffs:				Marble and stone work	$781	$4,126	$8,694
Extracts	$385	$4,730	$2,710	Net-lace	529	11,203	6,849
Blue, ultramarine	1,433	4,418	4,895	Oil, poppy	610	1,337	2,098
Flax and manufactures:				Potash:			
Raw	103,275	37,123	24,240	Carbonate	68,080	66,697	53,377
Thread, sewing	10,169	10,849	31,160	Caustic	56,922	44,547	32,969
Glass:				Rags and bagging	7,800	18,886	3,359
Photograph	11,800	3,541	18,743	Seeds, beet root	2,432	3,456	3,836
Window	224	129	2,330	Upholstery goods	12,445	19,924	25,635
Grease (wool)	78,731	48,991	46,015	Waste, cotton, flax, and wool	176,003	144,821	123,744
Horses	1,930	5,404	21,098	Yarn:			
Linen goods:				Cotton	3,399	4,558	35,368
Brocades	13,159	3,564	12,424	Flax	4,107	11,992	3,404
Cloth	891	25,462	12,259	Jute	1,084	7,358	5,380
Paddings	1,960	16,568	11,026	Woolen	2,847	6,750	8,328
Iron and steel manufactures:				All other articles	34,397	67,366	7,650
Machinery—				Total	602,580	633,748	532,778
Divers	3,588	4,900	2,445				
Locomotive	189	.....	3,190				
Sugar	3,410	50,777	4,795				
Steel—							
Tubes	.....	.....	14,857				
Wire	.....	4,271	.....				

ST. ETIENNE.

By Consul William H. Hunt.

Not only the output of coal was pushed to its limits in 1907, but orders far in excess of the capacity of the mines are abundant. The consequence is an important rise in the price of coal of every quality and a corresponding increase in the amount of combustible imported

from England, Belgium, and Germany. Men are worked overtime as far as the law permits, and in many cases the recent legislation on the number of hours that diggers remain below the surface has been rendered more or less abortive by reason of the pressure brought to bear on the companies by their customers.

COAL PRODUCTION—ACTIVITY IN IRON MILLS.

The number of coal pits in exploitation in France is 325 and the total amount of coal extracted is estimated at 50,000,000 tons. The total amount of wages paid during the year 1907 was about $60,000,000, or an average of 87 cents a day per workman, while the monetary value of the production was estimated at $96,000,000.

The region of St. Etienne (Department of the Loire) possesses 52 pits of soft coal and 5 of anthracite in active working, while several more are scattered through the other departments of this consular district. The average thickness of the seams or veins, of which there are 14 in this locality, is 9.2 feet, but in the north of France they attain a much greater depth—from 20 to 100 feet.

The mines of St. Etienne produced in 1907 a little over 4,000,000 tons of soft coal, the major part of which was consumed in the iron industries of the locality. The number of miners of all classes was about 20,000, with an average daily wage of 80 cents, but in spite of this large number of hands many more could be employed.

All the iron mills in the region were extremely busy, and orders are plenty, covering in some instances two and three years. If the coal could be had in sufficient quantity many more hands could be employed. As it is, the men are working overtime and both the day and night shifts are considerably increased. At the close of 1906 the number of men employed in the mills of the region was 28,000, but last year that number was increased by two or three thousand. The mills were particularly engaged in manufacturing railway material, chassis and detached parts of automobiles, and large field pieces, as well as steel armor for war vessels.

THE RIBBON, DYEING, AND LACE INDUSTRIES.

The ribbon industry was very active during the first three-quarters of the year. Velvet ribbons were in great demand, as well as galloons, but for the last three months there has been a considerable falling off of orders, due principally to the fall in raw silk, a change in the fashions, and the general financial disturbances. Counting on a continued high demand, too, manufacturers have indulged in overproduction. Consequently January, 1908, found the St. Etienne ribbon and velvet industry in a very different condition from that of the corresponding month of last year.

The weavers are having a very slack time, many looms are idle, and those occupied are worked at the lowest possible prices. Perhaps 50 per cent of the looms were idle at the beginning of the present year.

America, which is St. Etienne's largest foreign customer in ribbon velvet, greatly decreased its orders; whether permanently or temporarily remains to be seen. Unless some extraordinary demand comes,

as has often happened, which clears out the stock in a week and sends up prices at a leap, the prospect of getting off stock in hand is quite uncertain.

The only article in the ribbon market in any great demand is the fancy belting, or gallons, which has been in vogue for the past three months and is still enjoying fashion's favor. The manufacturers and weavers of this article are the only ones busy. In short, the St. Etienne ribbon outlook for 1908 is not hopeful, and unless a sudden revolution in style comes about the export business must suffer considerably.

The dyeing industry ranks fourth among the numerous industries for which this locality is more or less noted. This importance seems to be due to the nature of the water, which possesses the rare quality of being entirely free from mineral substances, and thus permits the obtaining of the most delicate shades and tints so much appreciated in the coloring of silk.

The number of factories is about 20 and the amount of silk dyed during the year 1907 was estimated at 60,000,000 kilos (kilo = 2.204 pounds), while the value of the business transactions represented $2,000,000. Great activity reigned in the industry for the first eight or nine months of the year, but orders have fallen off considerably and the mills only run two or three days a week.

The neighboring department (Haute Loire) is the center of the lace industry in this region. The number of persons (women) employed throughout the department is estimated at from 50,000 to 60,000, representing as many cushions, or carreaux, as the French call them. The majority of the lace is handmade; some lace is made mechanically, but though produced more rapidly it has always been considered inferior to the handmade article.

Women working on cushions can not produce more than from one to six yards of lace daily, according to the width and the more or less complicated design of the article. They earn about 40 cents a day. On the other hand, those employed on machine-made lace earn up to $3 a day and produce much more.

The value of the total production of the lace industry in the department is estimated at $2,500,000 annually. The amount exported through this consulate during the year 1907 was $375,921.

CRISIS IN THE AUTOMOBILE INDUSTRY.

The automobile industry, which had attained since 1900 an extraordinary development, experienced toward the close of the past year a serious crisis, from which it has not as yet recovered. Many large factories were obliged to close their doors, putting hundreds of hands out of employment, while others diminished considerably their force. St. Etienne felt particularly the effect of the crash, as a large number of factories for the construction of detached parts had sprung up in the city. Several of these had to close temporarily, while others went into liquidation.

Up to September, 1907, no one realized what was impending. French champions won all the international races, thousands of cars were ordered from abroad, increasing the annual exports to $4,000,000. To keep pace with the progress, and in order to serve

the ever-increasing number of customers, old factories were enlarged and new ones sprang up everywhere. The expenses of advertising were enormous, for each constructor endeavored to keep his "mark" before the public in the races, which cost large sums from the necessity of constant constructing new and more powerful models. Money came in fast, but, carried away by a spirit of rivalry, no one thought of economy or of establishing a reserve fund. Powerful and luxurious cars were built, requiring princely fortunes to keep up. The inevitable had to come. The public discovered that such cars, of which there were no less than 3,000 ready to be delivered by Paris firms alone, were too expensive and refused to treat with the agents of the firms.

Having learned the lesson, constructors are turning their attention to the building of small cars (voiturettes), which are more accessible to the means of the ordinary public, and to closed or open vehicles for the use of commerce in its various applications. The number of private cars in use in France in 1907 was 17,258, and that of commercial wagons, 8,904.

TRADE WITH THE UNITED STATES.

Speaking generally concerning the export trade with the United States, the year 1907 has been one of steady progress. The most favorable line has been that of silk and velvet ribbons. The export of these articles through this consulate during the year reached the sum of $2,094,638, an increase of $957,156 over 1906.

The demand here for articles and products of American origin is on the increase, although purchases are not made direct with the United States. The American typewriter has entered this market in earnest. There are three agencies of well-known American makes established in this city, directed from Paris offices.

There is a market in this district for many American products, if the matter were pushed properly. Articles almost unknown here are washing machines, cream separators, electric irons, chewing gum, Yale locks (some cheap kinds are made here), and agricultural implements. St. Etienne shoe stores have their show windows full of shoes labelled "American" or "American model," made in Limoges or Romans. There is a sale here for all kinds of tool machinery and agricultural implements. These latter are most in demand in the "Plaine du Forez," and are invariably sold through the president of the agricultural societies.

The value of declared exports from the St. Etienne district to the United States during the past three years was as follows:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Antimony	.....	$34,352	$15,000	Machinery	$6,396	.....	$53,186
Beads	$4,089	3,915	9,388	Mushrooms(dried)	2,476	$1,300	8,181
Braids	5,350	4,176	7,004	Ribbons:			
Button stock	12,223	9,870	7,633	Silk	614,908	564,693	500,881
Cheese	246,065	$11,182	$46,124	Velvet	284,438	572,789	1,593,757
Corset material	14,282	14,817	18,809	Tires (auto)	5,828	21,609	355,602
Cutlery	7,357	21,811	26,903	Walnuts	9,619	24,294	25,453
Gloves	52,262	147,309	132,080	All other articles	34,185	38,601	41,977
Harness (loom)	6,089	7,045	6,917				
Lace	217,304	402,736	375,921	Total	1,523,471	2,180,499	3,524,716

GERMANY.

INTRODUCTION.

The German Empire stands second in the list of countries in the aggregate of trade transactions with the United States, both as to imports and exports. To that country goes nearly one-seventh in value of American shipments abroad, and from Germany comes one-ninth of our foreign purchases. The importance of the commercial relations between the two countries is therefore self-evident. The interchange of commodities is also steadily increasing, as the following American figures for calendar years well illustrate:

	1897.	1904.	1905.	1906.	1907.
Imports from Germany.....	$98,062,278	$111,942,335	$124,127,448	$150,894,385	$161,117,970
Exports to Germany.....	136,277,886	193,642,733	212,624,359	242,922,487	274,371,365

To carry this merchandise a vast fleet of vessels was employed, the tonnage entering from and clearing for Germany in the fiscal year 1907 totaling 5,860,000 tons of shipping, of which German steam vessels shared to the extent of 4,720,000 tons, and those flying the American flag 20,000 tons. In addition, German vessels carrying products from other foreign countries to and clearing from United States ports with cargoes of American goods for points other than Germany registered about 3,000,000 tons. On this basis German vessels are therefore transporting over one-tenth of the foreign traffic of the United States. German yards are actively engaged adding to the merchant marine, having built vessels during the past three years aggregating over 1,000,000 tons burden.

INCREASING AMERICAN TRADE WITH GERMANY.

The largest items of export to Germany from the United States are raw cotton, which advanced from $85,377,835 in the fiscal year 1903 to $135,617,575 in 1908; copper from $7,592,984 in 1903 to $19,759,769 in 1908; lard and oleo and compounds from $18,272,607 to $20,348,938; resin and turpentine from $2,089,977 to $5,551,350; while breadstuffs declined from $24,495,083 to $24,422,289; kerosene from $7,949,211 to $7,846,803; and raw tobacco from $5,978,882 to $4,943,776. These premier articles constitute four-fifths of the American sales to Germany.

There are certain aspects, however, of American exports to Germany that statistics do not reveal. Almost all of $3,000,000 worth of flour included in the list of shipments to the Empire last year was transshipped at German ports for other countries. Under the present

German customs tariff rate flour can not be profitably imported into that country. American statistics also show the exportation to Germany last year of $234,820 worth of canned beef, $302,962 of salted and cured beef, $106,787 of bacon, $9,650 of hams, and $252,571 of pork. These meat products were likewise destined for other countries, being merely handled at German ports, as such articles, under the present regulations, do not enter the Empire for consumption.

The placing of American advanced manufactured products on the German market, while small in the aggregate compared to raw materials, has been making material progress. Especially is this true in the machinery and instrument line, a comparative fiscal year showing for which follows (detailed figures for 1908 not being obtainable):

Articles.	1903.	1907.
Agricultural implements	$1,419,083	$2,349,185
Brass, and manufactures of	189,176	385,685
Instruments, scientific	403,003	598,891
Iron and steel, manufactures of:		
Builders' hardware, saws, and tools	958,559	1,018,075
Firearms	74,347	150,997
Machinery—		
Electrical	57,208	105,793
Metal working	317,711	2,245,364
Pumps	83,707	58,664
Sewing machines	686,770	1,043,558
Shoe machinery	41,480	208,816
Typewriting machines	745,630	1,197,178
All other	1,008,091	2,030,894
All other manufactures of	443,048	860,005
Total	6,427,813	12,253,105

It is also important to note that American shipments of boots and shoes to Germany increased from $337,093 in 1903 to $589,232 in the fiscal year 1908, and of clocks and watches from $11,840 to $231,207.

The increasing imports from Germany, the total of which passed the $160,000,000 mark in the fiscal year 1907, consist almost wholly of manufactures. Full details are given in the consular reports in this volume. The most striking advances in these imports of German goods in the past four years were in chemicals, drugs, and dyes from $17,341,651 to $21,511,372; cotton goods, from $14,136,286 to $19,212,531; silk goods, from $6,736,890 to $8,050,084; toys, from $3,873,037 to $6,266,661; paper and manufactures of, from $2,848,018 to $6,824,400.

INDUSTRIAL GROWTH OF EMPIRE.

German manufacturers have been fully as active in seeking other foreign markets for their productions. Their success has brought about the remarkable industrial expansion of the Empire that has been the comment of all nations. The extent of these interests may best be seen by examining the following Imperial statistics:

In all Germany there were at the close of 1907, 5,060 stock companies with a nominal capital of $3,295,966,800, and a paid-in capital

of about $3,266,550,000. The 904 companies of the food and beverage industries were credited with $245,735,000 capital; 775 banking companies with $1,053,626,000; machinery and allied industries, 533 companies, with $386,607,200; 479 transportation companies with $361,188,800; 357 stone and earthenware companies with $99,222,200; 342 textile manufacturing concerns with $138,397,000; 255 mining, smelting, salt, and peat companies with $312,065,600; 140 chemical firms with $96,056,800, and 136 insurance companies with $144,751,600 capital.

The foregoing German Government statistics naturally do not include all the investments in industrial enterprises and properties, as there are numerous large companies there as elsewhere in the world to-day with holdings worth several times their paid-in capital. At a recent meeting of the Prussian manufacturers, for example, the following statement in regard to that Kingdom was made:

> Another indication of this prosperity of the industries is the increase in the income and supplementary tax. All incomes under $215 are tax free. In 1892 there were 2,437,886 individual taxpayers connected with the industries, and in 1906 there were 4,675,199, an increase of 91.8 per cent. The taxable property increased from $1,419,506,579 to $2,553,794,448 during the same period, an increase of 79.9 per cent, and the actual tax paid in 1892 from $29,714,290 to $49,238,095 in 1906, an increase of 73.7 per cent.

Another phase of industrial growth in Germany is shown in the fuel consumption. Since 1895, or in a round dozen years, the yearly consumption of coal has doubled, having risen from 100,000,000 to over 200,000,000 tons. Figured on a population base, this shows an increase from 5,500 to 7,260 pounds per capita. The price of coal has advanced 50 per cent. Much fuel is also derived from denatured alcohol, the production of which in 1907 was over 20,000,000 gallons, an increase of 2,000,000 over the preceding year. German alcohol is largely derived from potatoes, her total production of which leads the world.

VITALITY OF NATION.

The rapid expansion of the Empire's manufacturing interests has caused an increasing segregation of the inhabitants into industrial centers. At the founding of the Confederation in 1871 the rural communities (those with less than 2,000 population) contained 64 per cent of the country's population. In 1905 the rural population was only 42½ per cent of the whole.

In considering the wonderful industrial and commercial development of Germany it must be borne in mind that it has been accomplished despite the fact that there has been a steady drain on the country's population. The number leaving the Fatherland in 1907 was 389,995. There are now about three million Germans in the United States, one to two million in Russia, and a large Teutonic population in Argentina and Brazil.

However, the population of Germany has almost doubled in the past fifty years, while the census shows an advance from 49,400,000 people in 1890 to 61,177,000 in 1908. The vitality of the German nation is shown by the increased net surplus of births over deaths per thousand from 11.7 in 1890 to 14.5 in 1904.

The well-known thrift of the German people has its foundation on facts. The savings banks of Germany have some 19,000,000 pass books out, and their deposits amount to $3,213,000,000. These deposits are practically all guaranteed by the various municipalities of the Empire, and the condition forms a bulwark of confidence in the security of private wealth and earnings that can not be shaken by hard times, panics, bank failures, etc.

REVIEW OF TRADE CONDITIONS OF GERMANY.

By Consul-General Alexander M. Thackara, Berlin.

The value of the total foreign trade of Germany in 1907 was $3,833,492,418, against $3,550,284,318 in 1906, an increase of $283,208,100, or 7.9 per cent over the previous year. The imports were valued at $2,143,534,386, as compared with $2,008,375,614 in 1906, an increase of $135,158,772, while the exports amounted to $1,689,958,032, against $1,541,908,704 in 1906, an increase of $148,049,328.

The geographical distribution of the trade, excluding precious metals, for 1906 and 1907 is shown in the following statement:

Countries.	Imports.		Exports.	
	1906.	1907.	1906.	1907.
United States	$294,239,400	$313,903,400	$151,415,600	$155,247,400
Russia	253,993,600	279,412,000	96,628,000	104,220,200
United Kingdom	196,207,200	232,407,000	253,993,600	252,375,200
Austria-Hungary	192,732,400	193,327,400	154,533,400	170,550,800
France	103,125,400	108,099,600	91,082,600	106,885,800
British India	85,108,800	106,148,000	27,227,200	28,298,200
Argentina	88,583,600	105,315,000	40,507,600	42,649,600
Belgium	69,281,800	76,614,600	84,680,400	81,610,200
Italy	57,429,400	67,925,200	54,954,200	72,090,200
Australia	42,744,800	55,549,200	15,303,400	16,017,400
Netherlands	57,429,400	54,145,000	105,529,200	107,647,400
Switzerland	51,598,400	50,170,400	88,916,800	106,243,200
Brazil	44,767,800	.....	21,134,400	24,775,800
Dutch East India	33,891,200	46,652,800	7,687,400	10,138,800
Sweden	35,628,600	40,936,000	41,983,200	44,410,800
Roumania	28,228,800	35,952,400	15,208,200	16,326,800
Chile	34,510,000	34,248,200	17,231,200	20,182,400
Spain	35,806,600	33,206,200	13,732,600	15,612,800
Denmark	36,511,600	29,892,800	46,957,400	49,289,800
Egypt	15,589,000	19,135,200	8,734,600	9,401,000
British West Africa	13,209,000	11,421,600	2,237,200	3,308,200
China	13,750,400	13,613,600	18,683,000	17,040,800
British South Africa	5,544,200	10,924,200	7,782,600	6,878,200
Turkey	13,113,800	10,733,800	16,303,000	19,444,600
Norway	7,592,200	7,449,400	17,302,600	20,372,800
Japan	6,164,200	6,997,200	20,944,000	24,371,200
Servia	3,760,400	6,002,800	1,904,000	3,260,600
Guatemala	5,783,400	5,831,000	.....	.....
Finland	5,009,400	5,402,600	12,161,800	14,922,600
Uruguay	4,450,600	5,378,800	6,092,800	7,949,200
Algeria	3,760,400	5,307,400	.....	.....
Greece	4,093,600	5,283,600	.....	.....
Bolivia	5,545,400	5,212,200	.....	.....
Mexico	4,408,200	5,149,800	11,566,800	13,970,600
Venezuela	2,641,800	3,736,600	.....	.....
All other countries	55,761,000	97,006,900	61,030,100	65,038,408
Total	1,909,209,800	2,082,452,900	1,513,448,900	1,630,531,008

The value of the commerce in precious metals was as follows: Imports, 1906, $99,165,814, and 1907, $61,081,486; exports, 1906, $28,459,804, and 1907, $59,426,934.

The greatest excess of imports over exports occurred in 1906, which was one of the most prosperous years Germany ever enjoyed. How dependent this great manufacturing nation is upon foreign supplies for its industries and for feeding the people may be realized from the fact that in 1906, the year of its greatest adverse trade balance, 46.5 per cent of the total imports was for raw and half-finished materials and 28 per cent for provisions and food products.

PRINCIPAL ARTICLES OF IMPORT AND EXPORT.

In 1907 the values of the principal raw and half-finished materials, food, and other products which Germany imported were as follows:

Articles.	Value.	Articles.	Value.
Breadstuffs:		Hides	$38,197,096
Barley	$66,099,978	Iron ore	36,311,422
Bran	31,362,450	Lard	22,222,298
Corn	32,699,530	Linters	3,390,548
Wheat	93,918,608	Machinery	18,753,685
Caoutchouc	31,161,196	Oil cake	22,339,156
Coal	44,449,788	Saltpeter	29,836,160
Coffee	40,667,298	Silk, raw	46,275,530
Copper	50,199,674	Tobacco, raw	30,059,400
Cotton	127,765,164	Wool	94,289,888
Eggs	34,624,240		

The value of the principal articles of export from Germany during 1907 was as follows:

Articles.	Value.	Articles.	Value.
Aniline, etc	$29,341,830	Electrotechnical products	$36,496,586
Books, paintings, etc	22,599,240	Glass and glassware	27,216,966
Bicycles, etc	13,406,064	Gloves, kid	6,467,174
Breadstuffs:		Gold ware	45,907,820
Oats	10,563,868	Hides	10,487,470
Wheat	3,704,708	Indigo	9,792,510
Cables, electric	10,758,790	Iron ore	3,754,212
Caoutchouc	19,068,828	Leather	19,008,106
Clocks and watches	6,466,936	Machinery	87,214,802
Coal	62,054,930	Musical instruments	15,481,526
Coke	19,306,560	Potassium, chloride	5,995,934
Cotton, and manufactures:		Silk goods	52,796,254
Raw	13,804,253	Toys	19,114,494
Gloves	11,267,872	Vehicles	28,651,630
Prints	25,210,388	Woolen cloth	53,195,856
Socks	19,029,330		

TRADE GROUPING UNDER NEW TARIFF LAW.

In the following table the value of Germany's foreign trade in 1907 is shown under the principal groups of the new tariff law. This is the first time since the new act went into force that this arrangement of the statistics could be made for a complete year:

Groups.	Imports.	Exports.
Agricultural and forest productions and other animal and vegetable productions; food products	$1,316,018,144	$253,132,754
Mineral and fossil raw materials, mineral oils	204,494,836	118,076,798
Prepared wax, solid fatty acids, paraffin, and similar products for candle making, candles, wax products, soap, and other products made from fat, oil, or wax	4,339,216	7,161,658
Chemical and pharmaceutical products, colors, and dyes	72,685,438	142,051,490
Vegetable and animal raw materials for spinning purposes and goods thereof; human hair, prepared feathers, fans, and hats	192,705,030	233,097,898
Leather and leather goods, furs, and skins	32,464,390	83,322,848
Rubber goods	3,792,530	12,084,688
Plaited and wicker work, not spun, made from vegetable materials	2,438,786	1,842,596

Groups.	Imports.	Exports.
Brooms, brushes, pencils, and sieves	$503,370	$3,163,020
Carved or molded articles made from animal or vegetable products	10,339,190	20,457,528
Paper, pasteboard, and articles thereof	6,323,184	42,279,748
Books, paintings, and engravings	12,067,076	22,590,246
Articles manufactured from stone and other mineral substances (except clayware), including those from fossil materials	11,127,928	4,862,816
Clayware	2,345,728	25,344,858
Glass and glassware	3,770,396	27,216,966
Precious metals and articles thereof	67,569,628	121,797,928
Base metals and articles thereof	118,881,476	274,604,876
Machinery, electrotechnical products; vehicles	32,912,544	152,363,078
Firearms, clocks, and watches, musical instruments, and toys	8,304,018	42,339,724
All other articles	40,451,478	102,166,514
Total	2,143,534,386	1,089,958,032
Total 1906	2,008,375,614	1,541,908,704
Total 1905	1,709,730,594	1,390,352,446

The following statement shows the value of the total imports and exports of Germany, together with the increases and decreases and the excess of imports over exports during the past eight years:

Year.	Imports.		Exports.		Total.	Excess of imports over exports.
	Value.	Increase (+) or decrease (−).	Value.	Increase (+) or decrease (−).		
1900	$1,438,200,000		$1,131,200,000		$2,569,400,000	$307,000,000
1901	1,359,100,000	−$79,100,000	1,074,000,000	−$57,200,000	2,433,100,000	285,100,000
1902	1,381,800,000	+ 22,700,000	1,145,400,000	+ 71,400,000	2,527,200,000	236,400,000
1903	1,504,400,000	+122,600,000	1,221,000,000	+ 75,600,000	2,725,400,000	283,400,000
1904	1,631,400,000	+127,000,000	1,265,100,000	+ 44,100,000	2,896,500,000	366,300,000
1905	1,769,800,000	+138,400,000	1,390,300,000	+125,200,000	3,160,100,000	379,500,000
1906	2,008,400,000	+238,600,000	1,541,900,000	+151,600,000	3,550,300,000	456,500,000
1907	2,143,500,000	+135,100,000	1,689,900,000	+148,000,000	3,833,400,000	453,600,000

IMPORTS AND EXPORTS BY CLASSES.

The imperial bureau in revising its figures of the year 1907 has made some slight changes from the preceding official figures, but the changes do not materially affect the general totals.

For the first time half-manufactured products are included in the raw material class, and living animals are separated from the foodstuff and provision class, as exemplified in the following statement showing the imports and exports for the years 1905, 1906, and 1907, and the percentage of each class in the total trade:

Classes.	1905.		1906.		1907.	
	Value.	Per cent of total.	Value.	Per cent of total.	Value.	Per cent of total.
IMPORTS.						
Raw materials and half-finished products	$822,800,000	48.5	$959,700,000	50.3	$1,055,500,000	50.7
Manufactured products	316,100,000	18.6	398,400,000	20.9	448,000,000	21.5
Foodstuffs and provisions	490,300,000	28.9	483,200,000	25.3	524,200,000	25.2
Living animals	67,500,000	4.0	67,900,000	3.5	54,000,000	2.6
Total	1,696,700,000	100	1,909,200,000	100	2,081,700,000	100
EXPORTS.						
Raw materials and half-finished products	333,300,000	24.5	330,800,000	21.8	356,900,000	21.9
Manufactured products	910,000,000	66.7	1,046,900,000	69.2	1,144,500,000	70.2
Foodstuffs and provisions	116,400,000	8.5	133,200,000	8.8	126,300,000	7.7
Living animals	4,300,000	.3	2,500,000	.2	2,800,000	.2
Total	1,364,000,000	100	1,513,400,000	100	1,630,500,000	100

The most interesting features of the foregoing statement relating to imports are the gradual increase in the percentages of raw materials and half-finished products and the decrease in the percentages of food products and provisions and live animals. In 1907, to supply materials for its industries, one-half of Germany's imports was raw products and materials partly worked, while the amount of food products and provisions was only 25.2 per cent of the total imports, the lowest figure for many years.

Of the exports in 1907, manufactured products constituted 70 per cent of the whole. This is a record proportion, and indicates most clearly the results of the efforts this country is making to secure foreign outlets for the sale of the products of its manufactories, mills, furnaces, etc.

The most notable increases in the values of the exports in 1907 were in cotton goods, machinery of all kinds, woolen goods, silk ware, coarse and fine iron ware, toys, bicycles and parts, rails, and indigo. The values of the exports of sugar, gold and silver ware, aniline and other coal-tar colors, clothing of all kinds, books, copper ware, etc., showed a falling off as compared with the previous year. The decrease in the value of the exports of sugar ($10,281,600) was greatly due to the fact that the shipments of sugar to the United States during 1907 practically ceased.

As to the imports in 1907, with the exception of copper, hides, sawed and squared lumber, lard and lard fats, caoutchouc and gutta-percha, fur skins, combed wool and calfskins, the values of the raw materials for the industries were all greater than in 1906. The increased value of the raw cotton imports during 1907 was over $25,000,000, or 24.5 per cent. Of the quantity received, 476,419 metric tons, which were record figures, 324,283 tons came from the United States, 108,006 tons from British India, and 36,433 tons from Egypt. The cotton receipts, both of American cotton and that from the East Indies, were the largest known.

DECLINE OF MEAT IMPORTS.

The decline of the native consumption of fresh and slightly conserved meats which have been heretofore furnished by foreign countries is most noticeable during the past year.

In 1907 there were 205,872 head of foreign cattle received, 65,427 head less than in 1906, and 79,502 hogs were imported against 105,588 during the previous year. The export of native hogs has increased from 1,018 in the year 1900 to 25,039 head in 1907. The imports of horses were 127,639 head against 155,924 head in 1906. The amount of foreign fresh hog meat received in 1907 was only 2,379 tons, against 13,897 tons in 1906, and of fresh beef, 13,153 tons, in comparison with 19,379 tons during the previous year. There were 2,391 tons of prepared hog meat imported in 1907 against 3,780 tons in 1906; 2,826 tons of prepared beef against 8,814 tons, and 1,113 tons of bacon against 8,754 tons. The decrease in the meat imports was most noticeable in those from the United States. In 1906 there were $1,594,600 worth of American bacon and $1,570,800 worth of simply prepared American meat received, while in 1907 the values reached only $176,596 and $523,600, respectively.

The meat imports for the first three months of the present year also show a decided falling off in comparison with the same period

in 1907. The above quantities include those which were imported for the use of German ships and for the residents of the neutral frontier districts. If these amounts were excluded, the decrease in the imports of meat for native consumption is still more marked.

The decline was due partly to the restrictions of the meat-inspection law now in force, partly to the provisions of the new tariff, and partly to the increase of the home production.

ACTIVITY IN THE COTTON INDUSTRY.

The activity in the German cotton industry in 1907 was reflected in the increase of the imports and exports of raw materials and finished products, in comparison with the two previous years.

The imports of cotton linters and cotton waste in 1905 amounted to 484,700 tons; 1906, 478,112 tons, and 1907, 587,206 tons, while the exports amounted to 132,496 tons in 1905, 133,156 tons in 1906, and 148,615 tons in 1907. Of the raw cotton imported the United States supplied 299,761 tons in 1905, 279,071 tons in 1906, and 324,283 tons in 1907. India furnished 61,885 tons in 1905, 69,436 tons in 1906, and 108,006 tons in 1907, while Egypt supplied 34,718 tons, 32,476 tons, and 36,433 tons, respectively, for the three years. There were also 375 tons of raw cotton received from the German colonies.

The imports and exports of cotton yarn were as follows: Imports, 1905, 19,814 tons; 1906, 22,284 tons, and 1907, 40,100 tons. Exports, 1905, 12,270 tons; 1906, 12,156 tons, and 1907, 12,318 tons.

The abnormal increase of the imports of yarn in 1907 was due to the fact that the German manufacturers had laid in unusually large stocks before the new tariff law went into effect, March 1, 1906, for which reason the amount of yarn imported during the rest of the year was decreased, and the stocks of the half-finished products being low at the commencement of 1907, the active state of the cotton industry necessitated large purchases to supply the wants of the manufacturers of the finished cotton products.

IMPORTS OF FEEDSTUFFS AND CONSUMPTION OF FLOUR.

In 1907 Germany imported various products amounting in value to $61,123,232 for feeding cattle and other animals. The imports were bran, worth $31,362,450; oil cake, $22,339,156; rice waste, $3,223,472; malt, fruit, grains, etc., $2,678,928; liquor and residuum from starch factories, $2,200,548, and beet cuttings, $47,362. There were 1,417,000 tons of bran imported, of which 546,000 tons came from Russia, 195,000 tons from Austria-Hungary, 189,000 tons from Argentina, 162,000 tons from the United States, and the rest from various countries. The weight of the imports of oil cake was 714,000 tons, of which the United States furnished 284,000 tons, Russia 216,000 tons; the remainder came from nearly all parts of the world except Africa. The imports of malt, fruit, grains, etc., for fodder purposes were 117,860 tons, of which the United States furnished 57,864 tons, Great Britain 19,950 tons, and Austria-Hungary 17,100 tons. Rice waste came principally from British India, Italy, Austria-Hungary, and the United States, the imports being 159,350 tons, of which 23,250 tons were of American origin. The weight of the imports of beet cuttings was 17,418 tons, of which 15,455 tons came from Austria-Hungary.

The native output of flour increased from 8,500,000 tons in 1893–94 to 10,125,000 tons in 1906–7. The increase is mostly due to the greater demand, owing to the natural growth of the population. From 1893–94 till 1899–1900 the average consumption per inhabitant was 357 pounds, while the yearly average from 1900–1901 to 1906–7 was about 364 pounds, of which 220 pounds was rye flour and 144 pounds was wheat flour. In other words, notwithstanding the rapidly growing population of Germany, the consumption has remained nearly stationary. Most of the wants are supplied by native production. The imports of rye flour in 1907 were only 3,125 tons, while the exports were 69,391 tons, most of which went to Norway and Finland. There were 19,675 tons of wheat flour imported, but there were 87,782 tons exported, of which Switzerland received 22,962 tons, Great Britain 21,000 tons, and the Netherlands 15,031 tons.

COAL PRODUCTION AND COAL TRADE.

The production of coal, coke, lignite, and briquettes in Germany during the past four years is shown in the following statement, quantities being given in metric tons of 2,204.6 pounds:

Description.	1904.	1905.	1906.	1907.
	Metric tons.	*Metric tons.*	*Metric tons.*	*Metric tons.*
Briquettes	11,413,467	13,009,682	14,500,851	16,414,478
Coal	120,815,503	121,298,607	136,479,885	143,222,886
Coke	12,331,163	16,358,324	20,260,572	21,938,036
Lignite	48,635,080	52,512,062	56,235,189	62,319,802
Total	193,195,213	203,178,675	227,476,497	243,895,202

Notwithstanding the great coal production in Germany, large quantities of coal, coke, lignite, etc., are imported. The forced recourse to foreign coal supplies lies not in the insufficiency of the native production, but on account of the German coal fields not being in easy communication with certain centers of consumption, and therefore foreign coal producers, mostly English, are able to successfully compete with the German coal, especially at Hamburg.

The imports and exports of coal, coke, lignite, and briquettes of Germany during the past three years were as follows:

Description.	1905.		1906.		1907.	
	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.
	Metric tons.	*Metric tons.*	*Metric tons.*	*Metric tons.*	*Metric tons.*	*Metric tons.*
Briquettes	190,000	940,000	160,000	1,090,000	190,000	1,260,000
Coal	9,400,000	18,160,000	9,250,000	19,550,000	13,730,000	20,060,000
Coke	710,000	2,760,000	570,000	3,420,000	580,000	3,790,000
Lignite	7,950,000	20,000	8,430,000	20,000	8,960,000	20,000

Of the imports of coal in 1907, there were received 11,960,000 tons from Great Britain against 7,600,000 tons in 1906. There were sent to France during the past year 1,320,000 tons; Belgium, 3,070,000 tons; Holland, 4,340,000 tons; Austria-Hungary, 8,460,000 tons, Switzerland, 1,580,000 tons, and to Russia, 840,000 tons. Other countries which received the German exports of coal in smaller quantities were Denmark, Italy, Sweden, Spain, and Algeria. The consumption of both coal and lignite in 1907 was 208,150,000 tons, as compared

with 190,820,000 tons in 1906. The consumption of coke increased from 17,410,000 tons in 1906 to 18,730,000 tons in 1907.

OUTPUT OF MINING AND METALLURGICAL PRODUCTS.

The production of iron and steel in Germany, in metric tons, during 1907 and 1906 was as follows:

Description.	1907.	1906.
	Metric tons.	*Metric tons.*
Foundry pig and cast iron, first fusion	2,259,416	2,103,684
Bessemer	471,355	482,740
Thomas	8,494,226	8,088,534
Steel and spiegel	1,034,650	943,573
Puddled iron	786,113	854,536
Total	13,045,760	12,473,067

The production of Thomas iron is steadily increasing, especially in the districts of Rheinland, Westphalia, Alsace-Lorraine, and Luxemburg. The output of foundry pig also shows an increase in the districts named. The production of steel and spiegel iron increased, while that of puddled iron decreased, principally in Silesia and Siegerland. The production of Bessemer iron only slightly changed.

In the following table are shown the German imports and exports of the principal mining and metallurgical products, except coal, for the past three years:

Description.	1905.		1906.		1907.	
	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.
	Metric tons.	*Metric tons.*	*Metric tons.*	*Metric tons.*	*Metric tons.*	*Metric tons.*
Copper:						
Ore	10,137	28,908	9,441	6,414	19,295	20,950
Raw	102,218	5,958	126,071	7,241	124,072	6,113
Gold, uncoined	48	6	61	12	44	19
Iron:						
Ore	6,085,196	3,698,563	7,629,730	3,851,791	8,476,076	3,904,400
Pig	158,700	380,824	409,083	479,772	443,624	275,170
Lead:						
Ore	92,667	1,496	90,027	1,915	137,861	1,296
Pig	78,528	32,515	71,191	27,067	74,973	27,708
Manganese ore	262,311	4,116	331,171	2,555	393,327	3,490
Nickel, raw	1,995	1,034	3,497	964	2,182	
Silver:						
Ore	5,739	.....	4,719	15	3,506	47
Uncoined	429	428	235	236	271	255
Tin	13,501	3,259	14,098	4,845	12,814	4,244
Zinc:						
Manufactured	126,577	38,972	178,953	225,897	184,703	34,863
Raw	29,583	67,675	39,314	69,142	28,459	62,238

CROPS HARVESTED.

In the following table the principal crops harvested in Germany during the past four years are given:

Description.	1904.	1905.	1906.	1907.
	Metric tons.	*Metric tons.*	*Metric tons.*	*Metric tons.*
Barley	2,948,184	2,921,953	3,111,309	3,497,745
Clover	7,749,790	9,506,132	11,912,726	9,098,368
Hay	21,507,119	26,265,417	28,732,930	24,911,983
Lucern	1,225,192	1,459,750	1,698,998	1,401,368
Oats	6,936,003	6,546,502	8,431,379	9,149,138
Potatoes	36,287,192	48,323,353	42,936,702	45,538,209
Rye	10,060,762	9,606,827	9,625,736	9,757,859
Wheat:				
Spring	287,964	255,209	368,756	865,498
Winter	3,516,864	3,444,673	3,570,807	2,613,826

There was a large decrease in the production of winter wheat in 1907, amounting to 956,981 tons. The falling off was due to the heavy frosts of the winter and to damage from mice and snails. In certain districts many of the fields had to be replowed. There was also a great decline in the yield of all the hay crops, owing to the cold and wet weather. The decrease in the production of hay as compared with the previous year was 3,820,942 tons; clover, 2,814,358 tons, and lucern, 297,630 tons. The crops of rye, barley, oats, and potatoes all showed considerable increase in the yields, that of potatoes being 2,601,397 tons.

Of the potato production in 1907 of 45,538,299 tons, 42,618,982 tons were free from disease, while in 1906 there were 41,267,643 tons of sound potatoes out of the 42,936,702 tons gathered in that year. With the exception of the record-breaking potato crops of 1901 and 1905, when the production was over 48,000,000 tons, the crop of last year was the largest ever gathered in Germany.

IMPORTS OF PRINCIPAL CEREALS.

In the following statement the imports of the principal cereals into Germany during the past four years are given:

Description.	1904.	1905.	1906.	1907.
	Metric tons.	*Metric tons.*	*Metric tons.*	*Metric tons.*
Barley	1,430,421	1,620,648	2,098,492	2,114,703
Corn	773,488	928,118	1,140,083	1,252,101
Flour:				
Rye	1,710	1,716	1,885	3,125
Wheat	23,168	21,387	21,525	19,675
Oats	366,368	966,250	644,548	323,176
Rye	472,435	572,186	648,472	608,267
Wheat	2,021,129	2,287,587	2,008,082	2,454,846

The imports of grain and wheat flour into Germany in 1907 were received from the following countries:

Countries.	Wheat.	Barley.	Oats.	Rye.	Corn.	Flour.
	Metric tons.	*Metric tons.*	*Metric tons.*	*Metric tons.*	*Metric tons.*	*Metric tons.*
United States	542,780	1,748	2,166	7,429	354,984	4,767
Argentina	860,837	.....	40,063	.....	250,508	.....
Roumania	343,358	158,351	74,918	103,836	258,020	.....
Russia in Europe	538,598	1,543,997	178,450	450,789	280,608	.....
Austria-Hungary	.....	254,702	.....	.....	.....	12,288

GENERAL INDUSTRIAL AND COMMERCIAL SITUATION.

The era of unexampled prosperity which Germany enjoyed between the years 1903 and 1906 has given place to a gradual economic depression. The year 1907 started with all the industries in full and active operation, but even at the commencement of the year the financial markets gave unmistakable indications that the capital available was out of proportion to that necessary to supply the wants of the various industries. The backward movement commenced during the summer and gradually extended to most of the trades. While the financial crisis in the United States undoubtedly affected the economic conditions of Germany, yet the cause of the present depression is rather the decrease of cash resources on account of the great loans which were necessitated by the development of the industrial activity.

The manufacturers in their endeavors to augment the productive capacities of their plants, to meet the increased demands for their products, not only tied up their working capital, but had recourse to extended credits, so that the money invested in their plants lost its borrowing capacity. Not only was capital needed to enlarge existing establishments, but also for the creation of new plants in Germany and those in foreign countries, as South America, the Far East, and Turkey, which were operated by German interests.

The demands for money taxed the German banks to their utmost, obliging them to raise their rates for loans to the highest level ever known. In addition, the situation was affected by the high cost of raw and half-made materials for the industries. Coal and metals were dear and the prices for provisions were so high that labor demanded and received higher wages. The building trade was the first to suffer and was the hardest hit, owing to the difficulty of borrowing money to carry on the various operations and to the lockouts and strikes which occurred. The allied industries, the manufacturers of paint, wall paper, plumbing materials, iron, hardware, dealers in wood for construction purposes, etc., were all unfavorably affected.

CONDITIONS OF THE IRON AND STEEL INDUSTRIES.

The conditions which prevailed in the automobile industry in 1907 were not satisfactory either to the manufacturer or to the dealer. The stock of high-class cars left over from 1906 and those produced during 1907 were difficult to dispose of, owing to the tightness of the money market having affected the purses of the consumers. There was, however, a demand for the modest-priced automobiles and for motor cars for business and transportation purposes.

The trade in native-made machine tools in 1907, both financially and commercially, was most satisfactory, and even during the first months of the present year the orders on hand have kept the various plants busy, but orders for immediate use are falling off and those for future delivery are coming in slowly. The German manufacturers, however, do not anticipate that there will be a serious crisis in their trade, for on account of the great improvement which has been shown in German-made machine tools in the past five years they are in a better position than formerly to meet the keen competition which they encounter in similar machines produced in the United States. The German manufacturers have also established lucrative outlets in foreign countries.

The statistics indicate that the German exports of machine tools to Italy, France, Austria-Hungary, and Switzerland, for instance, in 1907, have considerably increased. The profits for the year, although generally satisfactory, would have been much larger had it not been that the high price of raw materials and the increase in wages, owing to the scarcity of skilled labor, greatly augmented the costs of production. On account of the large demands, however, for the finished product the prices were more in harmony with the factory costs than in former years. Nearly all of the establishments paid increased dividends, especially those owned by stock companies.

The results of the industrial operations of the past year were most favorable to the manufacturers of railway equipment and supplies, especially the locomotive and car builders. They were favored with

large orders not only from the Prussian Government, which is making extensive improvements in its railway equipment, but also from abroad. Most of the shops greatly surpassed their records for 1906, while others have orders on hand which will keep them fully employed during the present year and even in 1909.

The steam-turbine industry is making steady progress in Germany, as the demand for this form of motor is increasing, especially for the generation of electric energy. Recently a large manufacturing company of Berlin and a Munich firm combined for the construction of steam turbines.

The gas-motor industry was most active during the past year, but the financial results were not as encouraging as expected, owing to the strong competition among the increased number of German firms manufacturing these motors. Efforts are being made to syndicate the German gas-motor manufacturers, but agreements to this effect have not been reached. The German manufacturers of machines for the mining industries, sewing machines, bicycles, and agricultural machinery all enjoyed a successful and prosperous year, but like many of the others, they are feeling the existing industrial depression.

OUTLOOK FOR SHIPBUILDING.

The outlook for the German shipbuilding industry is not bright. Owing to the unfavorable conditions of the money market, even the larger steamship companies were not successful in floating their loans to enable them to increase their tonnage, thus forcing them not only to abstain from giving orders for new vessels, but even in some instances to cancel contracts already made. Mortgages with ships as collateral are hard if not impossible to obtain. Some of the builders are constructing vessels, hoping to be able to dispose of them later on. The condition of the shipbuilding industry is also unfavorably affected by the sharp competition of England, where the general depression is keenly felt.

According to Lloyds statistics there were built in foreign countries, principally in England, for German account, 67 steamships, of 163,278 gross tons, and 145 sailing vessels, of 38,650 tons, while in Germany 81 steamers, of 16,727 tons, and 31 sailing ships, of 3,375 tons, were constructed for foreign orders. During the year 1907 the output of the German shipyards was 435 steamships, with a gross tonnage of 311,105 tons, and 516 sailing vessels of all descriptions, whose gross registered tonnage aggregated 57,337 tons. There were still in course of construction at the end of 1907 203 steamships, of 369,172 gross registered tonnage, and 270 sailing ships, of 47,015 gross tons. Of these, 13 steamers, of 6,015 tons, and 16 sailing vessels, of 6,585 gross tons, were for foreign account. For German owners at the commencement of the present year there were in course of construction in foreign shipyards 30 steamers, of 72,000 gross tons, and 37 sailing ships, of 9,410 gross tons. Altogether the future prospects of the German shipbuilding industry are not bright, especially in the smaller yards. The larger constructors are in a better position, as in addition to orders received from private parties, they are working on the new ships which are being constructed for the German navy.

INDUSTRIAL PROGRESS OF THE ELECTRICAL INDUSTRIES.

In contrast with the shipbuilding trade, the electrical industries of Germany in 1907 showed remarkable financial and industrial progress even in comparison with the preceding year, when the conditions surpassed all previous records. The field of the electrotechnical industry is rapidly expanding, as electricity is supplanting other motive forces. Even in times of depression the manufacturers in their efforts to simplify and thus cheapen their methods of production, to meet the prices of their competitors, will resort to electric power. In the mining industries electricity is fast taking the place of manual labor and steam power for hoisting and pumping, for drilling, ventilation of the mines, transportation of workmen and material above and below ground, for lighting, etc. In fact, in all the industries, large and small, electromotive force is being employed. The street railways are rapidly being equipped with electrical propulsion to take the place of horse and steam power.

Great progress is also being made in the construction of electric roads for surburban traffic. Projects are now being discussed to electrify the Government elevated roads of Berlin, known as the Stadt and Ring Bahn, with their branches, the north and south Ring. The systems serve to connect through trains with principal railroad stations and also to carry the local traffic. The improvement would necessitate an enormous outlay, but it is thought in well-informed circles that the change will be made. The Rhine electric railway from Cologne to Bonn has proved to be such an economic success that a similar road between Berchtesgade and Salzburg is about to be constructed. Progress in substituting electromotive force (high tension one-phase current) for steam power on the trunk railway lines has been slower, but experiments are being made. If the electric railroad between Ohlsdorf, Hamburg, Altona, and Blankenese, which is now in course of construction, realizes its expectations, the Prussian railway administration will seriously consider the further electrification of its system.

The erection of "Thalsperren" or reservoirs to prevent inundations in rivers has been a great boon to the German electrical industries. Not only are large sums of money annually saved by the owners of river property through the prevention of inundations, but the reservoirs furnish energy for the generation of electric current which can be supplied cheaply to all classes of consumers, owing to the modern methods of electrical transmission having rendered it possible. The electrical current supplied by the Berlin electricity works increased nearly eightfold in the past ten years. The great prosperity which has been reigning in the electrical industries is reflected in the annual reports of the principal electric corporations. As a result of last year's business a prominent German electric company declared a dividend of 12 per cent, as against 11 per cent in 1906, 10 per cent in 1905, 9 per cent in 1904, and 8 per cent in 1903. The capital stock was $23,800,000. The number of workmen employed during the year was 30,667, against 33,906 in 1906, 30,366 in 1905, and 27,487 in 1904. While the number of workmen in 1907 shows a decrease of 3,239 as compared with the previous year, the output was 10 per cent larger. This fact is to be ascribed to the improvements which were made in the shop methods and in the machinery and work tools.

Another company declared a dividend of 11 per cent, an increase of 1 per cent as compared with the previous year, notwithstanding a strike which lasted three months. During January, 1907, this company issued a loan of $4,760,000, bearing interest at the rate of 4.5 per cent.

Steam turbines for generating electrical energy are fast becoming formidable competitors of the steam piston engines, not only in the industrial plants, but in the mining and metallurgical industries, and they are replacing the piston engines in the central stations. The steam turbines have been successfully introduced in coal-mining operations in which the exhaust steam is employed; also in certain of the textile industries which require the economical use of superheated steam. It is stated by a leading company that the value of orders for turbo-generators increased 55 per cent. In 1906–7 the power of these machines for which orders were received amounted to 139,840 kilowatts, against 72,475 in 1905–6, and 29,550 in 1904–5. Most of the orders were for the three-phased type of 1,000 kilowatts, but six of the machines ordered were each of 10,000 horsepower or more.

GOVERNMENT LOANS IN GERMANY.

At the commencement of the present year the Prussian Government called for a loan under conditions which were somewhat unusual. The amount of the loan was not defined, depending entirely upon the subscriptions received. It was not made through a syndicate of bankers, but under the auspices of the "Seehandlung," the Prussian State bank. The loan was a popular one, intended for investors in all classes of society, the minimum subscription being placed at $23.80. The amount raised on the loan was $43,078,000, the subscribers numbering about 11,000. To prevent speculation the subscribers, under the terms of the issue, are obliged to leave their certificates in the "Seehandlung" for one year. The price of the bonds was $23.44, payable 3 per cent upon subscribing, 15.5 per cent before January 31, 1908, 30 per cent before February 29, 30 per cent before March 20, and 20 per cent before April 6. The bonds bear interest at the rate of 4 per cent per annum for the first ten years, then 3.75 per cent during the following five years until the end of March, 1923, and thereafter 3.5 per cent from April 1, 1923. The interest is payable April 1 and October 1, the first coupon bearing the date of October 1, 1908.

The operation coming at a time when the financial conditions were not favorable, when the rate of discount of the Reichsbank was 7.5 per cent, the Prussian Government was gratified at the success of the loan.

DISTRIBUTION OF LOANS.

When the loan was issued financiers thought that they were slighted by the Prussian Government. They were assured, however, that they would have an opportunity later on, which they did some three months after. The bankers saw that the Imperial German and Prussian Governments were well advised when they first appealed to the general public without taxing the professional capitalists. During the month of March, after the passage of the railroad bill by the Prussian Diet, which appropriated about $95,200,000 for building railroads, for the renewal of rolling stock, etc., the Prussian Government needed the amount, which under the circumstances could

be best secured by a loan, as the revenue derived from the Government railroad ownership is much greater than the interest which would have to be paid if the money should be borrowed. In addition the Imperial Government needed $107,100,000 to cover the deficit in the budget caused by the postponement of the financial reform measures of the Government till next fall, so that both governments combined had to secure $202,300,000 from loans. Together with the amount taken up by the popular loan of $43,078,000 the total of loans amounted to no less than $245,378,000 within three months. The financial market was still feeling the effect of the world's depression, the official rate of discount was 5.5 per cent, and the conditions did not appear favorable for placing the large loan on the general market. The two governments negotiated with the leading bankers, and the result was that a syndicate, led by the Prussian State bank and the Deutsche Bank, one of the leading banks of Germany, took charge of the operation. The syndicate guaranteed the full amount, consenting to take over what had not been subscribed by the general public. It was decided to issue $95,200,000 of Prussian consols, the syndicate to hold in its vaults for some time, at least one year, $23,800,000 of Imperial bonds in order not to overload the market, and to sell $35,700,000 worth of these bonds.

The Imperial Government in addition has deposited in the vaults of the Imperial Bank and the Prussian State bank $47,600,000 of Imperial treasury certificates, to be sold as the money is needed.

SATISFACTORY FINANCIAL OPERATIONS.

The bonds and consols were sold to the syndicate at the rate of $23.42, the subscription price being $23.68. The bonds bear interest at the rate of 4 per cent and run for ten years. To some of the private banks parts of the loan were accorded at the preferential rate of $23.65. To avoid speculation every care was taken to give preference to bona fide subscribers intending to really invest capital in Government loans, by accepting the full subscriptions of people who expressed their willingness to have their bonds, Imperial or Prussian, registered in the treasury books and excluded from sale at the stock exchange. The result of the operation was that about $168,980,000 altogether were subscribed for the $154,700,000 of consols and bonds offered. A careful examination of the subscriptions revealed the fact that they were almost all those of bona fide investors.

Under the circumstances it can be considered that these financial operations were quite satisfactory to all those engaged in them, especially so when the fact that foreign markets bore a very small part in placing the loans is taken into consideration.

TRADE WITH THE UNITED STATES.

Returns from the thirty-two American consulates in this country show that the total value of declared exports to the United States during the calendar year 1907 was $159,458,800, as compared with $153,141,999 in 1906, and $126,133,199 in 1905. The figures are of the values as declared by the shipper for entry and appraisement in the American places of entry, and include costs of packing and invoice fees. The returns, however, do not comprise shipments of goods whose value in each case was less than $100, as such shipments do not require a consular invoice and are therefore not reported or registered at the various consulates.

In the following statement are shown in detail the values of declared exports from Germany to the United States by consular districts during the last three calendar years:

Districts.	1905.	1906.	1907.
Aix la Chapelle	$1,650,589	$2,007,720	$2,134,765
Annaberg	476,180	676,208	733,054
Bamberg	1,311,657	1,637,972	1,334,745
Barmen	4,548,397	5,395,830	5,845,075
Berlin[a]	11,206,842	14,153,008	17,122,866
Bremen[a]	1,937,461	2,433,579	2,808,774
Breslau	1,525,993	1,780,257	1,823,543
Brunswick	2,076,785	3,594,876	4,415,110
Chemnitz	8,220,794	10,711,915	13,700,105
Coburg[a]	4,426,216	5,103,965	5,775,639
Cologne	3,882,275	5,037,844	4,380,149
Crefeld	2,509,946	2,670,884	3,486,654
Dresden	2,179,982	3,475,780	4,172,250
Düsseldorf	3,372,263	3,755,809	4,464,725
Elbenstock	2,136,210	1,776,958	1,527,108
Frankfort	8,330,449	8,861,615	10,310,022
Freiburg	1,000,960	1,345,417	1,394,635
Glauchau	1,075,915	968,294	1,126,458
Hamburg[a]	15,572,427	17,959,378	18,466,360
Hanover	1,880,872	2,239,942	1,983,152
Kehl	1,632,601	1,596,594	2,008,045
Leipzig[a]	10,243,734	11,438,830	11,158,380
Magdeburg	8,400,156	11,614,644	9,698,972
Mainz	2,617,031	2,779,232	2,689,045
Mannheim[a]	5,658,816	5,697,202	5,571,621
Munich	943,443	1,340,928	1,442,133
Nuremberg	5,165,556	6,000,464	7,211,374
Plauen[a]	5,649,006	6,275,336	5,356,037
Stettin[a]	1,201,119	4,706,540	1,339,587
Stuttgart	2,135,230	2,496,166	2,938,468
Weimar	1,805,954	1,739,428	1,442,677
Zittau	1,329,250	1,510,264	1,596,372
Total	126,133,199	153,141,999	159,458,800

[a] Including agencies.

The principal imports into Germany from the United States during the past three years were as follows, quantities being given in metric tons of 2,240.6 pounds:

Articles.	1905.	1906.	1907.
	Metric tons.	*Metric tons.*	*Metric tons.*
Animals: Horses	2,407	2,089	1,973
Breadstuffs:			
Barley	35,428	65,631	1,054
Bran	53,292	93,115	162,166
Buckwheat	12,359	8,294	2,341
Corn	518,465	601,431	354,984
Flour, wheat	2,300	4,658	4,707
Oats	53,653	107,402	2,166
Wheat	65,922	299,041	542,780
Copper	90,202	108,729	103,631
Cotton:			
Linters	11,610	11,828	17,273
Raw	299,761	279,071	324,283
Fruit	43,714	39,310	32,695
Hides, cattle	2,320	3,108	1,421
Lead	21,715	12,356	10,832
Machinery, agricultural	13,453	17,975	23,950
Oil:			
Cotton-seed	51,349	46,564	43,218
Petroleum	770,820	780,134	813,828
Oilcake and meal	203,661	214,772	284,325
Oxide zinc	4,714	14,383	11,250
Phosphates	297,808	293,119	305,128
Provisions:			
Lard	113,895	120,869	101,302
Oleomargarine	21,010	26,302	28,751
Tallow	12,834	9,516	7,091
Seeds:			
Cotton	6,239	6,210	12,003
Linseed	3,816	69,708	22,079
Skins	239	1,203	106
Tobacco, raw	10,359	7,079	7,238

IMPORTS FROM THE UNITED STATES IN DETAIL.

The great activity of the cotton textile industry of Germany in 1907 was reflected in the increased imports of raw cotton and linters from the United States as compared with 1906 and 1905. The falling off in the German receipts of American corn in the past year was due to the comparatively short crop in the United States, still it led all other nations in the amount of the grain supplied to Germany in 1907, as the imports from Russia in Europe during that year were 280,608 tons, Roumania 258,020 tons, and Argentina 250,508 tons. There was a large increase in the imports of American wheat as the result of the short native crop of winter wheat.

While the imports of American cotton-seed oil showed a falling off, the receipts of cotton seed from the United States in 1907 were nearly double those of 1906 and 1905. The imports of American raw copper did not reach the record figures of 1906, yet this was due principally to speculation, as there were increased quantities of the raw material used in the electrical industries. Increases are also shown in the imports of oil cake and meal, bran, unmanufactured tobacco, refined petroleum, phosphates, wheat flour, and agricultural machinery. There was a notable increase in the receipts of agricultural machinery of American manufacture, the imports being 23,950 tons against 17,975 tons in 1906 and 13,453 tons in 1905.

The scarcity of farm hands in Germany is so pronounced that there is an increasing demand for labor-saving implements for tilling the ground and for harvesting the crops. Agricultural machinery is now being used in sections of Germany where never employed before. The favorable showing of American agricultural machinery in Germany is all the more satisfactory when the keen competition of the native-made implements is taken into consideration. The prices of German machines are from 15 to 20 per cent lower than those manufactured in the United States, but the output of the German factories is not keeping pace with the increased demand.

The excellent qualities of refined American petroleum are appreciated in this country, as the imports of the American product in 1907 were 813,828 tons against 81,900 tons from Austria-Hungary, 72,100 tons from Russia, and 25,700 tons from Roumania. In other words, in 1907 the United States furnished about 82 per cent of Germany's foreign purchases of refined petroleum.

Products showing a decrease in the imports to Germany in 1907 besides those already mentioned were barley, oats, buckwheat, linseed, fresh and dried fruit, lard, tallow, cattle hides, calf skins, and zinc ore.

TRADE IN AMERICAN SHOES AND FURNITURE.

The trade in American shoes at Berlin is still in a flourishing condition. According to information obtained from the proprietors of several of the largest local American shoe stores, while their sales during the last three months of 1907 were not as large as during the corresponding months of the previous year, the business for the whole year was greater than that of the record year of 1906. The sales fell off during the first three months of the present year, but since April 1 there has been a greater demand, and the business is resuming its

normal activity. The decline in sales was not confined to American shoes, for the shoe trade of the whole of Germany felt the effects of the financial and industrial depression.

The efforts of American manufacturers to find in Germany an outlet for the sale of American office furniture appear to have relaxed visibly. Formerly there was a large trade in these American products, but lately it has fallen off. The decline is probably partly due to the increased American consumption, but more especially to the inroads which the Swedish manufacturers are making in the market, and to the keener competition of the German producer. There are at present certain American concerns which send their desks, etc., crated, in the rough, and have them finished here by the cheaper native labor, thus reaping the advantages of a lower ocean freight, reduced cost of manufacture, and a smaller rate of import duty. If the requirements of the market and the German methods of transacting business were carefully examined, the sale of American office furniture in this country could be increased.

HOW TO SECURE TRADE.

In Germany large quantities of cheese are consumed annually, but a comparatively small portion of which is produced in the native dairies. In 1907, $6,750,000 worth of cheese was imported from foreign countries to supply the demands of consumption, mostly from Switzerland and the Netherlands, although certain amounts are received from Denmark and Sweden. If American manufacturers would care to conform to the sizes and weights of the cheeses sold in the German market, they could undoubtedly secure a firm foothold in this country and thus obtain a lucrative outlet for the sale of the American product.

Germany is a large fish-eating nation, importing annually $25,000,000 worth of various kinds of fish food to supply the wants of the people. With the exception perhaps of salmon, very little of the fish received in Germany comes from the United States, which is probably one of the largest producers of fish in the world. It would seem, in view of the large trade in Germany and other European countries in fish, fresh, smoked, and otherwise prepared, that it would merit an investigation by American fish dealers.

With the exception of the raw materials, cotton, copper, etc., fertilizers, food and fodder stuffs, and certain lines of American manufacture, like cash registers, sewing machines, radiators, agricultural machines and implements, dental supplies, special machines and machine tools, etc., the market in Germany for the sale of American or other foreign products is becoming limited each year.

For novelties, however, and goods which by their fine qualities and cheapness would commend themselves to the consumer, there is always a demand if they are properly presented.

Germany is a country where the wants, tastes, and habits of the people are well defined; so to be successful in selling goods to the Germans American exporters must do business on German terms and conditions, and the results will depend upon the intelligence and energy with which the trade is pushed.

ANNABERG.

By Consul George N. Ifft.

The past year was generally a prosperous one for the Erz Mountain district of Saxony, a part of which constitutes the Annaberg consular district. The declared exports from this district to the United States were valued at $733,053, an increase of $57,846 over the year 1906. The increase was really considerably greater than this figure—at least double and perhaps treble—as since June 1 a number of the heaviest purchasers of Annaberg goods have certified their invoices at other consulates. The first half of the year showed increased exports to the amount of $89,413 and the last half of the year decreased exports to the amount of $31,567. The latter period is the first in a number of years to show decreased exports from this district. The declared exports to the United States from this district for the past three years were as follows:

Articles.	1905.	1906.	1907.
Buttons	$50,165	$43,848	$46,846
Cotton and half linen mesh	1,594	5,080	7,008
Embroideries	.....	.....	20,778
Linen laces, etc	2,319	12,388	14,991
Paper ware	51,251	74,377	96,945
Toys	45,151	54,850	53,065
Trimmings, etc	303,703	463,735	467,389
Violin strings	5,427	4,622	5,799
Wooden ware	4,198	9,050	7,608
All other articles	12,372	7,258	12,625
Total	476,180	675,208	733,054

TRADE CONDITIONS AND BUSINESS OUTLOOK.

Dress trimmings proper, gimps, braids, insertions, etc., were dull throughout the entire year, but beaded goods, bags and belts, fancy and crochet buttons continued to find a good demand and kept the trade fully up to the average. Most other articles showed increased exports, notably fancy paper and cardboard novelties. Several entirely new articles appear in the list of exports. The item "Embroideries, $20,778," does not belong to this district, but is for articles from the Eibenstock district. Embroideries are not made in the Annaberg district.

The item of toys shows a decreased export to America of $1,784 as compared with 1906. This would, however, give a false impression of this industry. The Erz Mountain toy makers did a good business with the United States in 1907, considerably better than in 1906. Purchases of Erz Mountain toys are largely made through commission houses in Nuremberg and Berlin, and few of the invoices have ever come here for certification, and under the regulations of June 1, 1907, practically none have come here since that date.

The business outlook for this year, however, so far as the American trade is concerned, is very gloomy for Annaberg. The late financial flurry in the United States was coincident with the regular fall visits of the American buyers. A few of them did not come at all, and most of them, who usually stay from eight to fourteen days, and even for several weeks, cut down their stay to from one to five days. Most of them bought little as compared with last year, and some of them practically nothing, and since their return to America not a few of their orders have been canceled by cable.

AMERICAN GOODS IN FAVOR.

There is no direct market for American goods in this district, nor is there any hope of ever making any. The district is small in extent, remote from the centers of trade and industrial conditions, and business methods and conditions of living are decidedly primitive. The man with a hand loom at home is a manufacturer, and his shop or store is ordinarily a small room on the same floor with the family dwelling, and, in most cases, tended by the wife in connection with her household duties.

Neither manufacturer nor merchant imports directly, and such American goods as are used are bought from importers in the larger cities of the Empire. American petroleum is staple; American sewing machines are favorites; so are American apples. Some American beef extracts, canned goods, infants' foods, cotton-seed oil, proprietary medicines, and small carpenters' tools and farm implements can be found on sale; also a few brands of American whiskies and cigars. The demand for such articles could be increased, but would never be large enough to make it profitable for any American exporter to consider this district as anything more than an incident in the general German market.

MUNICIPAL IMPROVEMENTS.

The cities of Annaberg and Buchholz (two municipalities but one city) have made good progress in municipal well-being during the year 1907. Considerable street paving of an excellent character was done and many buildings were erected—substantial business blocks and handsome dwellings. Buchholz has greatly improved its water works plant, and Annaberg has taken the preliminary steps for the erection of an electric-light plant as an auxiliary to the municipal gas plant.

The handsome new building being erected jointly by the two municipalities as a home for the School of Trimmings, where will be taught the making of the thousand and one articles of feminine adornment for which this district is celebrated, is under roof, and will be ready for occupancy in the spring.

AIX-LA-CHAPELLE.

By CONSUL PENDLETON KING.

Business reached in 1907 the highest point for several years, until the depression which set in the last quarter of the year when there was a scarcity of money and interest rates became high. All branches of business felt the depression, especially the textile industry. There are no indications of a financial or business crisis in 1908, but business is expected to be dull.

The textile business was good in 1907 until October, and the outlook for 1908 is unfavorable. The manufacturers are working six days per week, but work from two to three hours less per day than last year, and wages are 5 per cent smaller than before the depression. The manufacturers are mostly selling what they produce, but only staple articles are put in stock. The number of laborers out of employment is not great, probably 500 to 1,000.

IMPROVED MACHINERY—NEEDLE INDUSTRY.

As to the introduction of improved machinery, the "two-chair" system (the attendance of two chairs by one weaver), no progress has been made, though the matter continues to be discussed and rather more than formerly. My opinion is that after business revives this improvement will be forced on the textile manufacturers of Aix-la-Chapelle by the competition of foreign countries and of other parts of Germany where the improved system is already in use. The change, I am informed, has been hitherto opposed by the weavers, who are conservative and fear loss of employment.

The needle and pin industry was good until the last quarter of 1907. About three-fourths of the concerns in January, 1908, were working full time and one-fourth three-quarters time. Wages are less, perhaps 10 per cent. It is expected that the depression will last several months, but some manufacturers are expecting a better business with the United States in 1908. As the textile and needle industries employ about 18,000 laborers in this city, the reduction of wages among them affects many other kinds of business.

The large steel works here are selling nothing in the United States at present (March 25, 1908) and their business with Germany is not brisk; they are working five days per week, since November, 1907, but so far have not discharged any employees.

TRADE WITH THE UNITED STATES.

The imports into this district from the United States consist of the following principal articles: Lumber, furniture, shoes, watches, machinery, tools, fruit, bacon, bicycles, cotton, typewriters, lard, soap, pickles, and carpet sweepers.

The exports from Aix-la-Chapelle to the United States in 1907 were valued at $2,133,765, a gain of $36,045 and $483,413, respectively, over the two previous years.

The exports, by principal items, during the years 1905, 1906, and 1907 were as follows:

Articles.	1905.	1906.	1907.
Buttons, agate	$17,226	$24,649	$23,284
Colors	43,003	37,414	42,038
Glassware	18,440	52,110	16,887
Linen, and linen mesh	60,671	71,559	92,354
Machinery	27,845	26,997	28,658
Needles and pins	160,262	143,044	181,293
Paper:			
Drawing	35,570	49,441	55,288
Pergamum	38,129	51,384	107,167
Photographic	269,518	346,099	633,841
Printing	19,700	62,930	36,050
Wrapping	37,852	68,302	68,507
Powder, bleaching	72,667	84,326	78,278
Steel	88,805	144,955	4,372
Silk, artificial	92,656	150,702	64,584
Water, mineral	15,200	14,939	10,685
Wine	1,344	628	3,488
Wool manufactures:			
Cloth	640,471	742,929	665,943
Yarn	1,063	5,202	5,820
All other articles	9,930	20,110	15,228
Total	1,650,352	2,097,720	2,133,765

BAMBERG.

By CONSUL WILLIAM BARDEL.

In this consular district the condition of commerce and industry for the year 1907 compares very favorably with that of previous years. The activity in all branches of industry during the first three-quarters of the year was even more pronounced than that experienced during the whole of the year 1906, which was an excellent one in all branches of business.

The financial difficulties appearing during the last quarter of the year in nearly every country of the world naturally had some damaging effect on the commercial and industrial interests of this district. More unsatisfactory than in any previous year, however, were the net results of the business for merchants and manufacturers. The higher sales prices, which at the beginning of the year were agreed on between merchants and customers in consequence of the rise of prices of raw material and wages, proved far from being sufficient to bring adequate profits. Soon after the contracts were closed for the year raw material of all kinds again rose in price in a great degree. Together with this rise came the advance in prices of all necessities of life, and this caused not only the workingmen, but also the mercantile and technical employees of nearly all establishments to make demands upon the merchants and manufacturers for higher wages, which demands were in many instances perfectly justified and were granted. To all these inroads on the profits of the industrial concerns came the unusually high rate of interest for money. Most of the industrial establishments were not able to declare dividends as large as their activity and hard work during the year would seem to have merited.

INDUSTRIAL CONDITIONS.

Of the industries in this district which export to the United States the manufacture of china ware ranks foremost. There are about 20 plants of that branch of industry in about 15 towns or villages in this district, nearly all of which supply the American market more than any other. The average trade in china ware, so far as the exports to the United States are concerned, was better in 1907 than in any previous year. The fact that the figures in the statement of export from this consular district to the United States show a falling off in comparison with those of former years is not attributable to a decrease in business. Owing to the regulations, in effect since July 1, 1907, which permit under certain conditions invoices for goods manufactured in and exported from one district to be legalized in other districts this office loses about two-thirds of the invoices for porcelain, which formerly had to be brought or sent here for authentication. Since this new regulation only applied to the second half of the year 1907, its full effect on the business of this consulate will only be visible in the coming year, when the whole year's business will come under its rules.

The basket-ware industry, being the second in importance, so far as the export of manufactured goods from this district to the United States is concerned, and of which only a small percentage of invoices come under the new rule, has increased its sales to the United States

in the year 1907 about 10 per cent over that of 1906. The ball-bearing and steel-ball industry had a marked increase, owing to extensive orders from American automobile manufacturers.

All other branches of industry doing business from this district with the United States are of minor importance, and about held their own in comparison with former years.

Considering the fact that one of the largest exporters of hops from here to the United States removed his business to another city not in this district, at the beginning of this season, the value of hops exported from here in the year 1907 shows that there must have been a larger demand for German hops by American brewers in 1907 than in previous years.

DIRECT TRADE WITH THE UNITED STATES.

The direct importation from the United States into this consular district is still confined to one article, cotton. The very brisk business in the textile branch of the industry in this district, containing 15 cotton mills, working about 7,000 looms, imported during last year, at a fair estimate, more than 100,000 bales of American cotton. The prospects in that line are quite favorable, and it is expected that not less cotton will have to be imported from the United States in 1908. Of other American goods petroleum, typewriting machines, hardware, apples, preserved fruit, fountain pens, and machines of all kinds seem to be growing in demand. None of these goods, however, come here directly, being bought mostly from jobbers in the larger cities of Germany.

The value of declared exports from the Bamberg consular district to the United States during 1905 was $1,311,658; 1906, $1,537,760, and 1907, $1,334,745. The leading articles were:

Articles.	1905.	1906.	1907.
Ball bearings	$4,116	$37,297	$118,970
Basket ware	282,499	329,586	371,962
Beer	12,988	14,447	19,452
China ware	752,125	916,241	606,869
Hops	225,566	207,507	196,771
Metallic capsules	2,188	.....	2,252
Paper	342	773	1,580
Wire for musical instruments	12,596	9,967	9,434
All other articles	19,238	21,942	7,455
Total	1,311,658	1,537,760	1,334,745

BARMEN.

By Consul George Eugene Eager.

The wave of business prosperity which has extended through the past several years reached its climax in October and November, 1907. The unprecedented prosperity of 1906 was surpassed in almost all lines of industry throughout the first three quarters of the year, but in the last quarter certain conditions obtained in the money market that brought all business to a standstill. The reasons for these conditions were several: First, for many years past the large loans made by the Empire, the States comprising it, and the many large municipalities, have partly drained the money market. Second, with the tremendous

increase of business it has been necessary for the manufacturers to call on the banks for larger loans, in order to meet the extra amount of production and the marketing of the same. Third, the increasing cost of raw materials and necessary raise in wages to meet the increased cost of living, and last, the sudden money crisis in the United States and the accompanying call for European gold immediately compelled the raising of bank rates to a point which made loans for mercantile pursuits almost prohibitive.

INCREASED INTEREST RATE.

During 1905 the average discount rate, which is fixed officially by the Imperial Reichsbank, was 3.82 per cent. In 1906 it averaged 5.15 per cent, and in 1907 it was 6.03 per cent. The year began with a discount bank rate of 7 per cent, which was reduced on January 2 to 6 per cent and three months later to 5.5 per cent, where it remained during the summer months, but the crisis in America, which compelled a large outflow of gold, caused a raise in the interest rate on October 9 to 6.5 per cent and on November 8 to 7.5 per cent. A rule of the banks is to charge 1 per cent additional on borrowed money, which brought interest up to the unprecedented rate of 8.5 per cent, which had a bad effect on all business. The result of this long period of high rates has prevented any new undertakings in manufacture or industry, and all building has long since ceased and trade in building materials has consequently been very unsatisfactory.

The iron industry was one of the first to feel the effects of the falling off of trade, but the local industries were unaffected throughout the year, having orders enough ahead to keep them running at full force.

INCREASED COAL PRODUCTION—BY-PRODUCTS.

The Ruhr coal fields of this district are the richest in Europe, and in it are grouped the largest metal-working industries in the Empire. Some iron ores are found, but most of it is brought from the Harz Mountains and the mines of Luxemburg and Alsace-Lorraine. The Rheinisch-Westfalische-Kohlen-Syndicat, which combines all the collieries of the Ruhr district, notwithstanding the lack of transportation facilities both by railway and water, produced 97 per cent of the coal output. During the first eleven months of 1907 there were mined 73,547,572 tons, showing a gain against the previous year of 2,875,740 tons, equal to 4.07 per cent. The development of German industry is shown by the increase in the production of coal, which in 1900 amounted to 109,200,000 tons of hard coal; in 1905, 121,200,000 tons; 1906, 136,400,000 tons; and for the first eleven months of 1907, 131,300,000 tons, as against 125,600,000 tons for the corresponding time in 1906. The production of soft coal for the first eleven months of 1907 rose to 56,800,000 tons, against 51,300,000 tons in 1906; the production of coke was 20,000,000 tons, against 18,400,000 tons in 1906. Much hard coal was also imported, and in the first eleven months showed an increase over 1906 of from 116,000,000 to 125,800,000 tons; soft coal from 59,000,000 to 64,900,000 tons, and coke from 15,800,000 to 17,100,000 tons. Complaints were heard, however, of the shortness of coal, which was largely caused by the shortage of cars for transportation. Out of 1,296,892 cars ordered between October 1 and December 15,

1907, there was a shortage of 130,049 cars. An average of 20,000 to 25,000 carloads of coke and coal are transported daily from the Ruhr district. The authorities reduced the tariff on freight charges for imported coal, but the syndicate raised the price 23 cents per ton and coke 47 cents per ton. The price of English coal had been raised $1.21 for coal and $1.46 for coke, which was the probable cause of the increase of the prices of local products.

Sulphur-ammonia, benzole, tar, and tar products were in good demand, and the building of new coke manufactories with their adjoining chemical factories steadily continued in the Ruhr district. The Rheinisch-Westfalische Company produced the following: Sulphur-ammonia, 200,000 tons; benzole, 30,000 tons, and coal tar, 500,000 tons. A greater part of the tar is used by the chemical factories for the production of tar products, the value of these amounting to $16,660,000 in a year.

IRON INDUSTRIES.

The ore industry was not slack at any time. There was a good demand for ores the first six months at good prices, but the last six months' trade became quieter. The lower prices of ores were induced by the decreasing demands. The wages of employees were raised fully 10 per cent; also much trouble was caused by lack of skilled workmen, and the frequent changes necessary to keep a full force employed. This industry was generally busy and at paying prices. The home and foreign demands up to November were the same as up to this time in 1906, but after November there was practically a standstill. The capacity of the works was lessened by the scarcity of railroad cars, which did not increase at the end of the year.

Foundry and boiler construction materials were in strong demand for the first six months, so that works were kept busy to their full limit. In the third quarter the demand lessened to such an extent that the men were working only on part-time shifts. This general change also affected prices, which were profitable in the first half year, but were considerably reduced in the second half. Complaints were also made of an insufficiency of skilled labor. Deliveries at coast ports were compelled to meet English competition, and the same can be said of products of the iron foundries, such as tubings, pipes, etc. Forgings were in healthy demand; only at the end of the year a slackness was noticeable, at times the workmen being obliged to work overtime to fill the orders and the working force was increased and wages were raised. The trade in railroad spikes remained the same as the previous year, the sudden hard times having no visible effect on this article, owing to the fact that prices are fixed by agreement for twelve months at the end of each year. Enough orders for bolts and nuts were received to keep the manufacturers running full force up to 1908, but owing to lively Belgian competition, the selling prices have, during the last half year, continually fallen and weakened, until at the close of the year they had dropped 15 to 20 per cent.

CONDITION OF THE TEXTILE INDUSTRY.

Business in nearly all of the textile industries improved steadily throughout the first three-quarters of the year, but was less satisfac-

tory owing to increasing prices and in some cases scarcity of raw materials and the increase of wages. The Barmen-Elberfeld industries are mostly producers of staples in trimmings of all kinds for women's apparel, and are less liable to be affected by changed market conditions. Business increased steadily until November, and most of the manufacturers had orders enough ahead to keep them running full force well into 1908.

The entire wool industry was prosperous well into the second half of the year; the demand for finished products was at times greater than the supply, and there was also an increasing demand for raw wool. The high prices of the previous year steadily advanced, with a slight interruption in July, reaching, with the London September auction, when trade had become quieter, a height that made the greatest caution necessary and caused a business shrinkage. Owing to the careful operations of the manufacturers, who on account of high prices had bought only for immediate use, the market remained in a healthy condition, but in the last months of the year became somewhat unsteady. Prices at all of the foreign wool markets suffered a cut of from 5 per cent to 10 per cent on good qualities and 15 per cent on less desirable qualities, sinking to the lowest prices of the year. Notwithstanding these conditions, the outlook for the coming year is favorable, providing the present demand for textiles continues to be as great.

The favorable development for the past year in yarn spinning continued, and the spinners received so many orders that in some cases it was impossible to supply the weavers. There was a strong demand for bright-colored worsteds, while in the previous year the black yarns had been the most popular. The home market proved to be the best buyer, although Sweden again sent large orders. Owing to the unfavorable tariff conditions, Austria ceased to be considered a market. As before, Belgian, French, and English competition was strongly felt. Labor conditions were unsatisfactory owing to a scarcity of skilled workmen. There was a larger force of workmen employed than the previous year and a ten-hour day's labor was normal. The prices of yarns remained stable, which was the exact opposite of the raw product.

WOOLEN CLOTHS, LININGS, AND PIECE GOODS.

In the cloth industry factories were run throughout the year at full force and sufficient orders were received to keep them busy for several months in 1908. In many cases they came so fast that in order to take full advantage of the prosperous condition of trade many hours of work overtime were necessary. It was very difficult to make a satisfactory selling price, owing to the heavy increase in the price of raw materials. Only at the end of the year was there a slackening of prices of raw materials and the dearth of workmen was relieved, so that it was possible to increase the working forces and take full advantage of the motive power. The wages of the workmen have experienced a further increase. As before, English competition was strongly felt.

In the manufacture of zanellas, linings, and umbrella coverings business conditions were stable and good, but there was an unsatis-

factory profit on finished goods, owing to competition of the English cotton importers. Notwithstanding the steady employment of the workmen during the year, the number employed in this line was less than in 1906.

During the first half year business in silk and half-silk colored piece goods was satisfactory; since then there has been a continual falling off in orders in the German market. The high interest rate on money and the contention between the association of silk manufacturers, wholesalers, and retailers proved an effective destroyer of the desire to buy. The competition from Switzerland and Italy grew more noticeable. On account of these conditions it was impossible to increase the selling price to correspond with the high price of raw materials. Increasing difficulties with the workmen also had an unfavorable effect, and the increase in wages of the iron and coal workmen made a like advance in the wages of the textile workers necessary.

VESTINGS AND TAFFETAS—HATBANDS, LACES, AND BRAIDS.

Manufacturers of vestings were busy during the first half of the year, but toward the end there was a falling off in the trade, which made necessary the discharge of many of the workmen.

Taffetas found a ready sale throughout the year, but on account of the increase in the price of raw materials it was difficult to keep up the selling price of these goods at a point where a profit could be derived, and the sudden fall in price of raw materials and the uncertain outlook for the future had a tendency to prevent orders.

All trimmings, braids, radium tresses, insertions, and numerous useful and beautiful articles manufactured from artificial silk were in the greatest demand, many manufacturers being unable to fill their orders. There was a large importation of raw artificial silk to the United States, and the Vereinigte-Glanzgarn-Gesellschaft, which controls three large manufacturers producing artificial silk, declared a dividend of 40 per cent for 1907.

The production of hatbands during 1907 showed an increase over the previous year both for inland trade as well as that of the United States, but the average result can not be called satisfactory. It was impossible to advance the selling price to keep pace with the enormous rise that took place in the cost of raw materials. All through 1907 the factories were fully employed, but the old orders are nearly completed, and as no new ones are coming in it will be necessary to close down a great number of looms. The inland business in hat braids was quite satisfactory during the past year, but the export to the United States was far from being satisfactory.

In torchon laces and featherstitch braids business has proven satisfactory for several years, both in Germany and in the United States, but in 1907 an increase in the demand from both countries was scored. Prospects for 1908 are less favorable, particularly so in the United States. There were some cancellations of orders and frequent requests to hold over goods for further instructions, but they were soon withdrawn. A noticeable absence of the usual January repeat orders was felt and there was a general falling off in business, although the reports received from the United States appear to denote a slow

improvement. The prices of raw materials of both cotton and linen continued to increase throughout the year, but have fallen since. The factories were worked at full force and there has, so far, been no discharge of the working people necessary. Judging from amount of business increase for the past five years, a further development may be anticipated in the future.

The Barmen carpet factory report the inland trade as very satisfactory, export trade to the United States being made impossible by the high tariff to which their goods are subjected. Raw materials have increased considerably during the greater part of the year and only at the end was the retrograde movement commenced.

TRANSPORTATION FACILITIES—BREWING AND MILLING INDUSTRY.

The prediction of still better business than in 1906 was proven by the fact that during the month of January, 1907, an increase in the railroad earnings of $383,537 was shown over the same month in 1906, notwithstanding unfavorable weather and other hindrances. The income in freight receipts exceeded in every month that of the previous year by an average of $1,904,000, and in the first eleven months of 1907 totaled $20,872,600 higher than in the same period the previous year.

There was great activity in both the Ruhr district and in the Wupper Valley, where Barmen-Elberfeld is situated, and the greatest efforts for the improvement in transportation facilities are being made. New stations are being built in Hagen and Dortmund; tracks are being elevated and grade crossings eliminated; great freight depots are being built at Barmen-Rittershausen and at Vohwinkel, and everywhere four tracks are being substituted for the old two-track system, and the vast sums of money necessary for these improvements have been granted by the government. In the Ruhr district alone in 1907 90,000,000 tons of freight was moved. An estimate, based on the increase in traffic during the last fifteen years, shows that if continued at the same rate it will double within the next ten years, and every effort is being made to meet the increased demands.

Dortmund is the Prussian "Munich" in the manufacture of beer, having 35 breweries, some of them of a very large productive capacity. These report a fair business for the past year, but the expected increase has failed to appear on account of the unfavorable weather, which remained exceptionally cold throughout the summer. The increased taxation forced the breweries to raise their prices to the consumer, thereby losing trade, and the increase in the price of malt and hops made the production of beer more expensive and the profits less. There was much trouble with the workmen, and increased demands were difficult of settlement. There have been some exports of Dortmund beers to the United States, but to no great extent.

Business was very good in the grain and milling industry; the wheat crop very good, the rye crop satisfactory, and oats excellent. Poor crops in Russia and the United States made prices higher, and wages were increased 15 per cent in comparison with the previous year.

EXPORTS TO THE UNITED STATES.

The declared value of exports from Barmen to the United States during the past three years was as follows:

Articles.	1905.	1906.	1907.
Belting and bone casings	$11,667	$30,421	$42,282
Braids, all kinds	677,413	828,480	782,445
Button stuffs	18,551	19,290	33,517
Buckles, buttons, etc	113,853	109,614	114,074
Cement		94,849	34,199
Chemicals and drugs	467,666	490,747	417,063
Colors and dyes	49,981	44,151	42,451
Coke	115,144	122,562	109,693
Cutlery	65,594	41,660	69,370
Hardware	154,698	216,203	214,999
Hatbands and ribbons	681,366	905,401	990,900
Laces:			
Boot, shoe, and corset	42,624	55,158	56,985
Linen and cotton	175,020	199,498	243,801
Torchon	202,373	234,376	342,382
Silk and half silk	763	503	590
Linen piece goods	38,751	53,047	41,253
Linen tapes, etc	224,550	269,106	332,038
Machinery	16,513	34,134	46,973
Needles and pins	145,896	141,881	142,489
Nickel (sheets, wire, etc.)	75,105	55,207	62,830
Paper goods	69,845	75,681	122,225
Provisions	50,037	42,329	48,368
Ribbon wire	3,207	13,929	24,343
Silk and cotton mixed dress goods	147,416	114,116	122,424
Steel and iron	227,062	375,078	397,456
Upholstering goods and carpeting	15,167	23,127	19,101
Woolen goods (clothing)	159,436	147,881	131,919
Woolen mixed and other piece goods	34,141	43,016	62,996
Yarn:			
Cotton, artificial silk, etc	287,015	327,587	483,400
Polished (iron yarn)	170,777	182,057	205,136
All other articles	31,661	104,741	107,373
Total	4,548,397	5,395,830	5,845,075

BERLIN.

By CONSUL-GENERAL ALEXANDER M. THACKARA.

SALES TO THE UNITED STATES.

The following statement shows the value of declared exports from the consular district of Berlin, not including the agency of Sorau, to the United States during the past three years:

Articles.	1905.	1906.	1907.
Albums	$120,994	$182,811	$222,627
Astrachans	25,983	26,596	87,490
Books, etc	45,732	64,655	52,553
Butter, cocoa	19,183	13,661	3,784
Carpets	31,296	29,049	28,512
Carpet wool	69,549	2,708	.....
Caviar	6,029	23,611	19,172
Cement for teeth	24,438	33,254	34,152
Chemicals, drugs, etc	433,511	611,281	763,025
China and earthen ware	92,432	91,398	145,637
Chromos and photographs	820,264	1,322,929	2,370,673
Clothing, ready-made	251,253	274,543	364,574
Colors	942,816	1,033,579	971,703
Diamonds, rough	41,746	45,391	137,506
Dress goods, velvets, plush, etc	146,205	115,054	223,154
Electrical goods	118,888	150,489	212,222
Feathers, fancy	352,330	526,247	513,094
Flowers, artificial	93,346	111,119	217,490
Glassware	41,963	39,693	71,682
Gloves:			
Leather	388,948	662,266	812,421
Silk and cotton	.....	18,057	25,290

Articles.	1905.	1906.	1907.
Glove leather, colored	$774,240	$1,191,129	$1,063,991
Glucose, dextrin, etc.	149,275	142,318	198,392
Hair and wigs	11,660	9,984	12,810
Hides, furs, and skins	1,227,209	1,250,017	2,178,872
Household effects	90,204	67,604	39,508
Instruments:			
Optical and scientific	184,549	220,922	245,743
Musical	28,559	30,287	43,520
Leather goods	71,232	69,980	50,104
Linen goods	246,031	299,407	396,196
Linoleum	68,968	158,344	137,915
Machinery, etc.	821,936	1,726,148	1,579,032
Paintings	70,038	64,064	32,721
Paperware	277,351	379,863	446,397
Rags	135,966	123,051	145,221
Rennets, etc.	224,405	204,224	146,751
Rifles and cartridges	15,543	8,124	45,507
Rubber goods	32,902	23,531	47,071
Seeds and plants	11,849	15,350	25,812
Shawls	98,899	107,359	170,869
Toys	428,501	457,604	324,274
Trimmings, etc.	263,213	247,482	249,077
Umbrella handles	36,374	44,845	38,808
All other articles	935,951	880,094	1,020,516
Total	10,271,761	13,100,122	15,915,418

SORAU AGENCY.

By Consular Agent W. B. Murphy.

The exports from Sorau to the United States in 1907 were the largest in the history of the agency, and would have been still larger were it not for the financial disturbances in the United States, which affected the exports during the last quarter of the year.

Although general business was good up to the latter part of the year, the high prices of the raw materials and the increased wages of the operatives reduced the profits of the manufacturers, and the year closed with a gloomy outlook. Orders from foreign countries fell off and the home trade was anything but satisfactory. Most of the factories were working one or two hours less per day, and in some cases were working only one or two days per week.

The following statement shows the value of the articles declared at Sorau for export to the United States during the calendar years 1906 and 1907:

Articles.	1906.	1907.	Articles.	1906.	1907.
Chemicals:			Hats	$540	$117
Cobalt oxide	$333	$1,526	Lily of the valley sprouts	.....	124
Double antimony salt	8,376	5,503	Linen goods:		
Drugs	7,288	4,641	Inlets (union)	.....	497
Ground earth	11,330	9,914	Tablings	323,910	318,971
Oxide of zinc	9,081	30,916	Towels	176,513	198,106
Miscellaneous	4,676	5,660	Machinery	293	791
Cotton goods:			Osier twigs	.....	228
Inlets	22,585	28,751	Paper	220	.....
Tablings	3,503	17,730	Porcelain goods	18,302	29,957
Towels (partly union)	9,239	4,500	Postal cards, etc.	553	4,302
Cycas and other leaves	453	310	Sheep stock	4,162	3,956
Dolls, dressed	182	161	Toys	3,477	3,813
Emigrants' effects	645	472	Umbrella stuffs	149,133	205,760
Glassware:			Wine	159	.....
Bottles	2,524	4,574	Wool, washed and waste	2,238	4,900
Lamps, etc	60,716	75,434	Woolen cloth	215,228	224,500
Scientific	15,831	17,711			
Tumblers	396	804	Total	1,052,946	1,207,447
Miscellaneous	1,060	3,316			

BREMEN.

By CONSUL WILLIAM THOMAS FEE.

The steady growth of Bremen's ocean traffic, and the constantly growing navigation on the river Weser, have necessitated an improvement of harbor facilities. For this purpose the State of Bremen has purchased a suitable tract of land, within its own jurisdiction, and adjoining the present harbors. The preparatory works on this new harbor are now under progress. Also at Bremerhaven a new harbor is under construction by the State on territory which the Kingdom of Prussia has ceded for this purpose to Bremen.

Through the deepening of the river bed the water level of the upper Weser was lowered, thus doing damage to the surrounding farming country. In order to protect irrigation in the upper Weser country it became necessary to build a storage dam at Hemelingen, situated a little upstream from the city of Bremen. The construction of this dam, with a lock 350 meters (meter=39.37 inches) in length, and a turbine plant to utilize the water power, is calculated to be finished next year.

SHIPBUILDING, TOBACCO, AND GRAIN TRADE.

Shipbuilding experienced a rather unfavorable year; there were only a few new orders given, and consequently competition was very strong, which brought down prices. British shipyards succeeded in getting several orders from Germany. Although the prices for raw materials went down a little, it was not sufficient to influence materially the cost prices of new vessels.

The tobacco industry as well as the tobacco trade suffered under high prices. The strikes of cigar makers in central Germany affected the cigar trade of Bremen disadvantageously.

In the year 1907 exorbitantly high prices ruled for nearly all kinds of grain. The begining of the rise was chiefly due to heavy purchases of the Russian Government for the famine-stricken districts in the interior of that country. Germany's grain harvest was good in quantity, but rather inferior in quality.

The price of rice, in spite of a large stock on hand from the previous year, rose considerably. This rise was caused by the failing of the crop in Bengal, and the heavy demands made by Japan and India. Bremen rice mills again decreased in their output.

INCREASE IN RECEIPTS OF AMERICAN COTTON—OIL AND JUTE.

The extraordinary American cotton crop of 1907 did not lower prices as was naturally expected but, on the contrary, a considerable rise was noted during the summer months. Remarkable activity was shown in the cotton industry. The demand on the mills for yarn could not always be satisfied. During the year 1,158,000 bales of Indian cotton were imported into Europe, being double the amount imported two years previously. German mills have been using considerable quantities of short staple Indian cotton for mixing purposes. Owing to the overproduction of cotton yarns in India, large quantities of yarn were imported from there into Austria and Germany.

On account of hitherto unfavorable freight conditions but little Indian cotton was shipped into Germany by way of Bremen. It came mostly by way of Antwerp, Trieste, and Hamburg. The German Government railway authorities have granted a reduction in freight on cotton, so that in future Bremen may be in better position to compete with Mediterranean or Netherland and Belgian ports in the importation and forwarding of Indian cotton.

The imports of American cotton during the year 1907 at the port of Bremen reached 461,441 metric tons, of the value of $124,004,600, which, compared with the import of the year 1906 of 368,638 metric tons, shows an increase of 92,803 metric tons.

In Europe cotton is bought and sold under the rules of the Bremen Cotton Exchange. Liverpool excepted, Bremen is by far the largest cotton harbor in Europe. The cotton exchange here maintains a bureau of arbitration, where sworn experts classified during 1907 2,371,776 bales of cotton.

The oil mills, which increased their capacities by rebuilding and enlarging their plants, did a good business. There was an especially large demand for sesame, groundnut, and poppy-seed oils, and cotton-seed oil sold at good prices.

The jute mills in Bremen and vicinity were fully engaged during 1907. Kali salts, which formerly were shipped in jute sacks, are now mostly freighted in bulk, thus decreasing considerably the demand for sacks. But large orders for grain and cement bags, as well as for linoleum wrappers, were received and filled, thus making up for the loss.

THE FOREIGN TRADE.

The total imports into Bremen in 1907, of which 43.2 per cent were transit goods, amounted to $439,303,143, against $356,064,241, of which 44.8 per cent were transit goods, in 1906. The total exports from Bremen during 1907 were valued at $405,383,376, against $346,971,472 in the previous year, of which 39.8 per cent and 55.8 per cent, respectively, were transit goods.

The imports and exports, by groups, into and from Bremen during the past two years were as follows:

Groups.	Imports.		Exports.	
	1906.	1907.	1906.	1907.
Articles of consumption	$73,853,357	$89,234,234	$73,597,620	$74,708,532
Building material and fuel	6,895,779	7,721,845	4,236,043	3,451,856
Raw and partly manufactured products	201,630,968	241,709,261	201,762,661	232,244,642
Manufactures	25,870,822	40,982,986	24,490,975	39,617,724
Other products of industry	47,813,315	59,654,817	42,884,173	55,360,622
Total	356,064,241	439,303,143	346,971,472	405,383,376

Of the total imports and exports, including those from and to other States of the German Empire, the trade was divided among the principal countries as follows: Imports—United States, $154,435,265; other States of the German Empire, $148,721,723; Australia, $20,471,700; United Kingdom, $17,920,325; Russia in Europe, $15,099,612; Argentina, $14,232,234; British India, $12,103,762, and Brazil, $8,623,895. Exports—United States, $52,056,993; United Kingdom,

$34,362,690; Austria-Hungary, $23,346,440; Russia in Europe, $22,746,317, and other States of the German Empire, $211,309,143.

TRADE WITH THE UNITED STATES.

The imports from the United States during 1907 amounted to $154,435,265, against $125,449,734 in 1906. The exports, foreign and domestic, to the United States in 1907 were valued at $52,056,993, against $36,279,440 in the previous year. The trade with the United States by groups during the past two years was as follows:

Groups.	Imports.		Exports.	
	1906.	1907.	1906.	1907.
Articles of consumption	$14,544,740	$17,611,328	$1,753,283	$1,976,919
Building material and fuel	15,592	4,396	124,079	114,470
Raw and partly manufactured products	106,410,562	131,782,063	13,300,788	15,562,313
Manufactures	271,026	347,232	9,131,395	18,035,948
Other products of industry	4,207,814	4,691,226	11,969,895	16,367,343
Total	125,449,734	154,436,265	36,279,440	52,056,993

IMPORTS FROM AND EXPORTS TO THE UNITED STATES.

The principal articles of import from and export to the United States during 1906 and 1907 are shown in the following table:

Articles.	1906.	1907.	Articles.	1906.	1907.
IMPORTS.			EXPORTS.		
Breadstuffs:	$842,666	$1,006,376	Beer:		
Bran, etc	371,604	701,613	Foreign	$198,417	$246,364
Flour, wheat	2,942,191	4,557,683	German	227,505	207,755
Maize	116,555	262,786	Books, etc	429,855	536,232
Rye	1,015,312	1,429,842	Cotton goods:		
Wheat	4,710,463	2,248,740	Foreign	640,462	1,007,017
Copper and copper wire			German	3,935,758	11,545,825
Cotton, and manufactures:	95,669,001	124,004,646	Drugs	260,734	645,046
Raw	260,678	330,645	Flowers, artificial	318,330	557,458
Fabrics	1,018,812	1,511,997	Furs, raw	2,733,936	4,582,054
Cotton-seed meal			Glassware	442,407	553,322
Iron and steel manufactures:			Hops	107,905	268,210
Machinery, including autos and bicycles	2,463,306	2,489,462	Iron, sheet	332,870	206,067
Steel articles	171,846	75,307	Kainite	1,864,475	1,951,570
Linseed	32,623	362,614	Kali	2,306,452	2,765,914
Oil:			Leather and leather goods	1,416,207	1,302,184
Cotton-seed	107,067	137,445	Linen articles	879,774	956,389
Lubricating	987,073	660,340	Lithographs, etc	655,390	1,792,899
Petroleum—			Metal ware	1,412,259	2,425,439
Raw	417,189	513,921	Paint	1,614,909	1,240,451
Refined	740,618	302,888	Phonographs	410,235	523,067
Phosphate of lime	369,434	375,348	Porcelain goods	926,398	1,248,617
Resin	125,103	192,129	Rice	517,964	697,210
Skins, salted	246,734	283,365	Rubber tires	892,346	559,327
Tobacco	2,521,613	3,255,785	Seeds	96,691	183,685
Wood, and manufactures:			Silk goods, etc	834,507	1,198,284
Planks	582,789	478,934	Thread, silk	376,913	692,654
Woodenware	207,044	154,835	Toys	1,908,308	2,648,632
			Wool	492,032	435,716
			Woolen and half-woolen goods	1,774,684	2,283,631

CLASSIFICATION OF DECLARED EXPORTS.

The value of exports declared at Bremen, exclusive of merchandise returned, to the United States during 1907 was $2,171,920, against

$1,848,124 in 1906 and $1,423,328 in 1905. The articles were as follows:

Articles.	1905.	1906.	1907.
Animals	$98,972	$81,732	$88,177
Bags, rags, etc	25,111	19,068	29,217
Balsam	5,481	3,610	14,887
Canned goods	6,271	10,093	11,605
Cement	27,698	100,552	155,737
Coffee	37,855	18,425	25,821
Copper		26,143	10,029
Cork and corkwood	38,075	11,049	15,855
Dry goods	1,060	22,953	25,123
Fertilizers		43,199	39,127
Hardware	7,127	16,317	1,504
Hair, human	586	1,399	12,644
Household goods	33,439	9,073	17,434
Lead, antimonial		7,586	24,749
Machinery	1,400	6,314	14,833
Meats	11,595	11,462	13,325
Paper	9,217	13,502	53,137
Potash	54,517	33,923	19,714
Potatoes	10,068	9,864	11,819
Rattan	104,038	96,284	109,761
Rice	497,586	546,440	719,685
Toys	194	32,981	51,843
Tobacco	43,683	152,828	57,263
Wines and liquors	11,865	11,666	13,138
Wool	21,712	133,361	196,600
Wool grease	32,102	61,264	99,406
All other articles	343,676	367,036	338,587
Total	1,423,328	1,848,124	2,171,920
Returned American goods	146,527	150,480	141,306
Grand total	1,569,855	1,997,604	2,313,226

EXPORTS OF THE AGENCIES—NAVIGATION AND EMIGRATION.

The declared exports from the agency of Brake to the United States amounted to $238,237 in 1905, $292,827 in 1906, and $268,932 in 1907. From the agency of Bremerhaven the exports to the United States during the three mentioned years were valued at $130,457, $142,149, and $226,616, respectively. The leading items from Brake in 1907 were linoleum and lincrusta, worth $249,260; wood grease, $4,628; horses, $7,432, and glassware, $2,811, while those from Bremerhaven during the same year were chemicals, valued at $72,105; grease, $33,827; skins and furs, $39,144; linoleum, $13,216, and beer, $8,268.

The total number of vessels entering at the port in 1907 was 4,699 of 3,513,930 gross tonnage, against 4,413 vessels of 3,507,456 tons in 1906. The number of vessels departing during 1907 was 5,522 of 4,116,441 tons, against 5,208 vessels of 4,097,055 tons in the previous year. The total number of persons leaving by the way of Bremen in 1907 was 234,013, against 208,343 in 1906, and 186,856 in 1905. Of those who emigrated in 1907, 225,106 went to the United States, 4,679 to Argentina, 1,251 to Canada, 2,349 to the United Kingdom, 254 to Brazil, 7 to Egypt, 279 to Australia, and 88 to South Africa.

BRESLAU.

By CONSUL HERMAN L. SPAHR.

After six months of prosperity in 1907, business in nearly all the industries of this district began to decline, and in the closing months of the year suffered a decided check. This was due in great part to overproduction, which increased the difficulty of obtaining raw ma-

terial, and forced up the price of the completed product beyond the buying capacity of the people. The crisis in America came at a bad time, while dearer necessities, especially meat, grain, and coal, added to the general depression. Certain suggestions to limit the export of coal from the great Silesian mines and thus lower the price at home were not favored by the chamber of commerce, for fear of damage to the industry when the inland demand is insufficient.

THE EXPORT TRADE.

The unusual weather affected various branches, notably the clothing, brewing, and mineral-water industries. There was a setback in the export trade, especially with Russia and Austria-Hungary.

The exports of decorated chinaware and porcelain fell off considerably, though still retaining first place. Linen goods showed a steady increase. The mills were fully employed, profiting by the general prosperity of the year before, and also because of the fact that many articles of fashion, formerly made exclusively of other material, are now made of linen. A scarcity of linen yarn set in, so that the prices demanded of the weavers by the spinning mills were 20 per cent to 25 per cent higher than the high prices of the previous year. The rise in linen goods naturally led to a diminution of orders near the end of the year, but not so great as was feared. The financial crisis in America brought trouble also to this industry, but it is thought that the American business of the German linen weavers rests on a basis of so thoroughly sound and normal consumption that the demand for their goods will quickly revive. No great fall in prices is to be expected, as all weaving mills have had to buy yarn far ahead at high prices. Goods made of dear material the manufacturer will not sell cheap without necessity, and if no other way is open he will reduce the output. The cotton mills could not complain of lack of work; they have plenty of orders ahead, and the lessened demand from the United States will enable them to catch up on back orders.

INCREASED EXPORTS OF PAPER GOODS.

Scrap and post-card albums and notebooks show the greatest increase, the export rising from seventh to third place in importance, and there is no likelihood of the demand abating, for the souvenir-card collectors continue to increase. The paper mills were busy until September, but then their foreign business fell off sharply, and in the last few weeks the importers bought only what was indispensable. The domestic trade is, however, already stronger, and the mills expect business at the end of summer, 1908, to be as good as ever. Firms making chromos and cards were busy, working often at night in the final months. This arose from the enormous and unexpected growth of the demand in the United States for fancy paper, which continued through the year, only to vanish in December as suddenly as it came. With few exceptions the American buyers who usually come to Germany in December failed to appear. Although the output was destined almost exclusively for the American market, the decline caused chief attention to be directed to German and French business.

Leather glove manufacturers complained of decreasing business after March, due to overstocking in the United States and uncertainty whether long or short gloves would be the style. The decrease continued till fall, and came almost to a standstill with the panic.

EXPORTS TO THE UNITED STATES.

The declared value of the exports from Breslau to the United States during 1907 was $1,823,543 against $1,789,257 in 1906 and $1,525,993 in 1905. The articles were as follows:

Articles.	1905.	1906.	1907.
Albums		$98,623	$187 216
Arsenic	$22,363	38,510	44,342
Books, chromos, etc	31,169	22,677	83,880
Brushes	42,869	47,856	51,764
Chemicals	21,342	22,788	12,720
Clocks	4,328	7,141	5,008
Cotton goods	137,221	122,605	114,908
Decalcomania	47,963	67,889	40,459
Enameled ware	16,529	15,942	20,627
Glass and glassware	20,040	21,426	13,193
Gloves, leather	99,091	109,961	153,063
Glue, gelatine, and dextrine	4,556	4,703	9,259
Hides and skins	21,836	357	17,831
Leather, glove	17,110	8,284	4,841
Linen goods	179,680	207,735	262,978
Liquors	11,735	13,356	13,461
Machinery parts	6,599	4,960	6,699
Nickel castings	1,386	2,892	4,393
Paper and paper goods	167,716	174,857	176,890
Porcelain and chinaware	479,388	458,195	291,564
Spelter, etc	29,889	27,101	136,832
Sugar, raw		83,107	
Tin and tin foil	2,180	2,565	12,939
Toys	2,172	2,866	4,837
Willows (peeled)	3,370	6,035	6,060
Zinc dust	99,270	140,310	60,108
All other articles	56,191	76,516	87,671
Total	1,525,993	1,789,257	1,823,543

BRUNSWICK.

By CONSUL TALBOT J. ALBERT.

During 1907 the trade conditions of this district were flourishing. They were only unfavorably affected by the stringency in the money market, advances in wages, and high prices of coal.

Of the declared value of exports from Brunswick to the United States there was an increase in value for the year 1907 over 1906 of $820,234, and an increase over 1905 of $2,338,325. This increase was due principally to the value of the manure salts (potash) exported. The increase in the value of this mineral product exported in the year 1907 over the year 1905 was $1,999,064, and over the year 1906 $820,286.

The other items showing a material increase are chemicals, colors, optical glass, and gloves. The increase in the value of the chemicals exported in 1907 was almost $100,000 over the value of those exported in 1905, while optical glass shows an increase of $54,586 and gloves an increase of $102,947, by comparison of the two years. Colors more than doubled in value in 1907 as compared with 1906 and 1905.

There was only one single shipment of sugar in 1906, valued at $123,052, while there was none in 1907 or 1905. This was formerly an important item of export from this district.

The manufacture of Christmas-tree ornaments has become an enterprising industry in Thuringia, in the southern part of this district.

CLASSIFICATION OF EXPORTS TO THE UNITED STATES.

The following statement shows in detail the declared exports from Brunswick to the United States during the past three years:

Articles.	1905.	1906.	1907.
Animals, live	$50,421	$60,588	$55,691
Asphalt	9,284	25,898	25,283
Cement	18,792	21,022	7,203
Chemicals	117,917	198,040	217,284
Colors	44,368	44,491	95,628
Glass, optical	79,964	77,019	134,550
Gloves	29,027	98,994	131,974
Glove leather	20,161	65,680	49,956
Instruments, scientific, etc	5,191	5,105	2,714
Machinery	16,749	27,510	20,854
Manure, salts	1,599,430	2,778,208	3,598,494
Music, printed	14,676	13,659	13,413
Provisions, etc., canned	3,394	4,440	7,091
Rubber tubes	8,207	12,605	13,090
Sausages	7,984	6,776	6,420
Sausage skins	35,041	9,191	7,402
Sugar	.....	123,052	.....
Woolen blankets	3,946	7,251	5,165
All other articles	13,233	15,347	22,898
Total	2,076,785	3,594,876	4,415,110

CHEMNITZ.

By CONSUL THOMAS H. NORTON.

The Chemnitz consulate supervises an area smaller than that of almost any other American consular district in the entire world. Manufacturing interests are, however, so highly developed and so compactly consolidated, and commercial relations with the United States are so extensive and intimate, that the economic condition of the region is of exceptional interest. There are but few industrial centers in Europe so dependent for their prosperity upon the fashion or purchasing power of the American market.

A PROSPEROUS YEAR.

The report of the factory inspector for Chemnitz and the tributary territory, issued during 1907, showed for the preceding year a total of 3,880 factories, employing 125,978 operatives. This was an increase in one year of 122 factories and 7,326 employees. The increase of factories included 32 new textile mills. The number of operatives in the textile industries increased 2,549, those in machine works 2,108, in the clothing trade 1,444, and in metal works 675.

In nearly all branches of manufacture a year of unusual average prosperity was chronicled, though a distinct retrograde movement became evident in November, when the first effects of the American crisis were felt and the bank rate rose to an unprecedented height. There was an immediate cessation of all attempts to enlarge the means of production, and purchasers curtailed their orders. Manufacturing activity continued, however, with unabated energy to the close of the year, in most branches, seeking to fill promptly all orders booked so as to avoid cancellations. In certain industries, especially in textile factories and machine works, it was impossible to secure a fully adequate number of operatives up to the very end of 1907.

The manufacturers of Chemnitz faced 1908, however, under conditions radically different from those which prevailed a year before. In the leading textile and machine branches but few orders for delivery in 1908 were received during the last two months of 1907 or the first quarter of 1908.

DEMAND FOR LOCOMOTIVES AND TEXTILE MACHINES.

The demands on locomotive building were unusually strong throughout the year. In this and several allied fields many orders were refused on account of the impossibility of making delivery at the dates required. The largest establishment in Chemnitz closed a contract for locomotives with the Saxon railway authorities amounting in value to over $1,250,000. This, with other orders on hand, will keep the locomotive division fully occupied until the close of 1909. The activity in the construction of boilers, stationary engines, and refrigerating apparatus was also noteworthy. There was a falling off in the demands for motors, turbines, and brewing apparatus, and a very decided setback in the manufacture of wood-working machines. All of the establishments producing textile machines for spinning, weaving, and knitting were taxed to their utmost capacity up to the end of the year. They reflected the local effort to expand in response to hitherto unequaled demands on the gloves and hosiery mills. Nearly every manufacturer of knit goods in and near Chemnitz increased his plant. Unfortunately the enlarged productive equipment must in many cases rest idle for an indefinite period. One factory, devoted to winding machines for cotton yarn, constructed its ten-thousandth machine at the close of the year. Another large establishment has its entire production of mules and looms bespoken to the end of 1908.

GROWTH OF THE MACHINE INTERESTS.

A marked demand for tulle machines early in the year became very weak in the latter half. The electrical industries look back upon an exceptionally profitable year. The same is true of the great establishments devoted to machine tools, although the latter half of the year showed a very marked falling off in orders. Manufacturers of bicycles and automobile accessories have been unable to increase their business. Foundries were kept constantly busy and were frequently forced to refuse orders. The following figures show the remarkable growth of the machine interests of Chemnitz: Receipts of pig iron in 1906 amounted to 54,558 metric tons and in 1907, 62,532 tons; shipments of machines and accessories in 1906 were 63,308 tons and in 1907, 76,220 tons. The shipments of textile machinery to the United States in 1907 were exceptionally large, and increased steadily to the close of the year, with many orders remaining to be filled.

ACTIVITY IN THE TEXTILE INDUSTRIES.

The textile industries of Chemnitz are of special interest to American commerce as the district is its chief source of foreign supply for hosiery and gloves, and in turn these industries are largely dependent upon the trans-Atlantic market for their existence and measure of prosperity.

The condition of cotton spinning throughout the year was one of unusual activity, and business was very remunerative. Much yarn was imported from England, Switzerland, and India, as German spinners were unable to meet the enormously enlarged demand. The total importations of cotton yarn into Germany during 1907, chiefly from the United Kingdom, reached $30,000,000 in value.

The activity in the worsted spinning mills, especially in those using merino wool, surpassed all records. Less satisfactory trade conditions were reported by the cheviot mills.

The demand for upholstery goods was satisfactory, but the financial returns were but moderate on account of the high prices of all raw materials. The exportations to the United States showed a small decrease during the past year.

There was a continued degree of prosperity in the dress-goods industry, which has for several years enjoyed a growing demand for its products. Factories and household looms were all kept busy. A weakening in the market was, however, very perceptible toward the close of the year. The export of dress goods to the United States is diminishing very noticeably.

The year's trade in trimmings was a disappointment to nearly all manufacturers. Changes of fashion have had an extremely unfortunate result on this distinctively Saxon industry. The present taste in Germany is toward greater simplicity in furnishings, and to some extent in attire. The result has seriously affected, for the time being at least, a very highly developed class of workmen and the capital interested. A fair demand is still maintained for girdles, narrow galloons, articles in netting, and a variety of button designs.

All factories were fully occupied during the year in the manufacture of knit goods, underwear, shawls, etc., and there was a general complaint of inability to secure sufficient yarn and the requisite number of female operatives. The financial returns were not what they should have been in view of the greatly augmented demand. The foreign market for this class of Saxon products is growing rapidly.

DEMAND FOR GLOVES AND HOSIERY.

The demand for silk and cotton gloves from all quarters of the world, especially from the United States, assumed unheard-of dimensions. Not only were quantities greatly increased, but the average value per dozen rose rapidly in consequence of the prevalent fashion in women's attire of short sleeves accompanied by long gloves. Glove factories were taxed to their utmost from the beginning of the year to its end, and most of them entered 1908 with the entire output engaged for five or six months in advance. There was an increase in the rate of wages and in the prices of yarn, but most manufacturers raised their prices at an early date, and the year's business was exceptionally remunerative.

The condition of the hosiery trade was good. During the first half of the year there was an unprecedented demand, especially from the United States, for hosiery of nearly all descriptions. The pressure of this demand was perceptible in the closing months of 1906. Every machine was pushed to the utmost, and it was practically impossible

to secure stocks except by ordering months in advance. The only exception was in the case of openwork hosiery, which dropped very suddenly out of fashion. While the cost of materials and labor steadily rose, mill owners were not as quick as the glove manufacturers to alter price lists. While the trade was at its height, toward the close of August, a tendency became evident on the part of prominent American dealers to cancel contracts or lessen the amounts called for. Following the advent of the crisis in October there was an effort all along the line by American dealers to postpone deliveries or to cancel orders if deliveries could not be made at the dates stipulated in contracts. In many cases manufacturers were willing to delay their deliveries; in others they worked night and day to effect delivery upon time and secure the payment of their contracts.

EXTENT OF TEXTILE TRADE—PAPER, LEATHER WARE, AND TOYS.

The extent of the textile trade of Chemnitz is well exemplified by the receipts of raw material and the shipments of manufactured products. The figures are based on entire car loads, no account being taken of isolated amounts. During 1907 the receipts of cotton were 9,181 metric tons, against 8,752 tons in 1906, and of yarn, 9,728 and 4,079 tons, respectively, for the two years. The shipments of gloves, hosiery, knit goods, and woven fabrics in 1907 amounted to 10,592 tons, against 10,152 tons during the previous year, while the shipments of yarn during the two years amounted to 2,898 and 3,544 tons, respectively.

Conditions were less favorable than in 1906 for the paper trade in general on account of the continued rise in the cost of wood pulp. Manufacturers of the better grades of paper had uninterrupted occupation, and there was unusual activity in the pasteboard and carton branches, resultant upon the enlarged output of gloves and hosiery.

There was a distinct retrograde movement in leather wares from the business of 1906. The boot and shoe trade was very active in the early part of the year, but exceedingly dull during the second half.

The manufacture of toys suffered very seriously. This important source of income for many mountain villages depends largely upon the American and British markets. From both quarters the orders for German toys were materially restricted and the domestic demand was notably less than that of 1906. Coupled with a general increase in the cost of the varied materials used in toy construction these factors have caused the industry to stand in sharp contrast with the other leading branches of German manufacture.

Of the other less prominent industries a very successful year was experienced in the manufacture of chairs and other furniture, and of cigars, but unfavorable conditions affected brewing, and but little profit was made in milling as a result of high grain prices.

The many highly developed industries of this district passed through a period of intense activity without being tempted into reckless speculation. The world-wide business depression has caused no failures here. Not a single bank has suffered in its credit. Manufacturers and operatives are adjusting themselves to demands which concern simply the covering of normal needs at home and abroad. It is probably a healthful reaction from the uncertainty and high pressure of the preceding two years.

REPRESENTATION OF AMERICAN FIRMS IN THE DISTRICT.

Ninety leading American firms have offices at Chemnitz, where their numerous orders are issued, and the shipments of wares, chiefly textiles, are effected. In many cases the efforts of local representatives are supplemented each year by the presence of specialist buyers from these American establishments, who are closely in touch with the demands of the home market.

One American firm, dealing largely in gloves, has a manufactory of these articles in the district. Several hundred operatives are employed by them, and the entire output is shipped to the United States.

An American cash-register company has an agency here and does a profitable business. Five manufacturers of American typewriters have resident agents, who all report a fair amount of trade. An American sewing machine company, the agencies of which are found in nearly every country, has a large store in one of the best locations of the city, and does a very extensive business. There is also at Chemnitz an office representing the predominant American interest in the petroleum industry.

OPPORTUNITY FOR EXTENDING TRADE.

In addition to the articles of American origin sold by direct representatives of the manufacturers, there is a current demand at Chemnitz for a variety of other wares. These include such staples as cotton (purchased in large amounts), cotton-seed oil and meal, petroleum, pitch pine and other lumber, apples, lard, and minor articles, such as toilet soap, cornstarch, oatmeal, carpet sweepers, dried fruits, fountain pens, certain proprietary medicines, beef extract, pickles, small hardware, dental chairs and supplies, and various novelties. American machine tools are employed very largely in the great machine works of Chemnitz. The American reaper and mower is occasionally found on the larger farms of the region. American boots and shoes are sold thus far in but very limited quantity at Chemnitz. All of the above are secured from jobbing houses at Hamburg, Bremen, etc., and not by direct purchase from the United States.

There is a good opportunity, by using the proper method, to extend American trade in this section of Germany in the wares enumerated above, and also to introduce a number of other distinctively American articles. There is an excellent field for furniture, built in harmony with the German taste. Many forms of hardware, tools, material for sanitary plumbing, wooden parts for carriage building, bread-making machinery, syringes and rubber novelties, supplies for apiculture, fancy colored shirts, crackers, biscuits, and diverse cereal preparations, patent leather, cut-glass ware, the cheaper forms of cotton yarn and fabrics, stationery, etc., which are now manufactured at high rates in Germany, or imported from other European lands, could unquestionably be supplied by the United States.

EXPORTS TO THE UNITED STATES.

The United States is the best customer of the various products of Chemnitz. The exports from this consular district in 1907 showed an increase of $3,491,810 over those of the previous year. The value of

the merchandise certified at Chemnitz to the United States during the past three years is shown in the subjoined statement:

Articles.	1905.	1906.	1907.
Chemicals	$1,354	$1,494	$788
Cotton manufactures:			
Cloth—			
Glove	5,507	5,918	11,700
Unbleached	1,814	2,978	2,528
All other, n. e. s	6,406	4,331	19,788
Dress goods	20,369	24,616	24,318
Felt, piano	7,782	9,162	12,653
Flowers, artificial	1,159	1,875	1,617
Gloves:			
Cotton	1,184,912	1,764,401	2,573,357
Kid	12,839	24,652	230,062
Silk	142,906	636,613	1,150,280
Wool	272,634	254,448	155,089
Hosiery:			
Cotton	5,216,372	6,703,727	8,141,916
Silk	140,001	225,237	226,794
Wool	49,930	49,116	57,455
Instruments, scientific	10,951	20,137	22,592
Jewelry	3,070	3,020	10,522
Knit goods	7,379	21,576	54,588
Laces	17,645	31,629	204,364
Linen goods	10,892	92,609	198,135
Machinery	224,868	225,790	289,250
Mufflers and tie goods	5,490	4,117	2,966
Musical instruments	6,827	6,190	5,967
Needles, knitting-machine	62,939	53,434	68,270
Paper:			
Fancy	17,318	22,466	35,688
Printing	3,207	696	6,751
Other	2,759	595	422
Toys	7,488	77,372	163,644
Trimmings and beaded goods	1,376	14,484	47,880
Underwear	143,367	173,193	158,043
Upholstery goods	90,659	93,394	92,318
Wire	4,480	6,387	2,558
Wool-combing cards	13,172	15,493	17,071
Yarn	7,838	16,733	10,083
All other articles	24,524	124,032	204,268
Total	7,730,234	10,711,915	14,203,725

COBURG.

By CONSUL-GENERAL FRANK DILLINGHAM.

In this part of Germany the year 1907 was a fairly prosperous one, both commercially and industrially, in spite of strikes and the financial flurry in November and December, caused by the panic in New York, when money became so scarce that the banks raised their rates of discount from 5 to 10 per cent.

The cost of living is steadily increasing, while wages, generally speaking, remain low. For instance, butter rose from 13 to 36 per cent; eggs, 28; potatoes, 22; flour, 10; fruit, 14; beans, 43; peas, 27; rice, 16; goats, 11; beer in bottles, 10; and so along the entire list of the necessaries of life. Coal advanced over 25 per cent and wood sold at almost prohibitory prices, having advanced 22 per cent.

TRADE WITH THE UNITED STATES.

There has been a large increase from year to year in the value of declared exports to the United States, but because of the increase in the cost of raw materials, especially in woolen stuffs and other textiles, as well as a slight advance in factory wages, the profits of both

manufacturer and exporter were considerably decreased, as most of the contracts for goods were made at the beginning of the year.

The toys and dolls exported from this district to the United States in 1907 carried a value of $224,715 in excess of those for 1906, while the total exports for the same period carried an increase in value of $671,674 over the preceding year. The trade in toys and dolls from this district would have increased more but for the fact that the demand for the better articles in this line has greatly fallen off. In fact, the better class of dolls and toys were seldom purchased and then only in small quantities, because the demand of late for what are known as "soft toys" has greatly increased; the principal article in this line being the "teddy bear," which are very easily and quickly made and many of the factories that formerly manufactured nothing but dolls are now making this novelty.

The popularity of the teddy bear in the United States proved a good thing to those who formerly did a large business in the doll industry alone in this district. For instance, in one town near Coburg, where, on account of the competition of American and French manufacturers who entered the world's market with dolls' heads made of celluloid, the industry in that particular line fell off in the early part of last year fully 40 per cent, and many men and women lost employment in consequence thereof. During the last nine months of 1907, however, orders for teddy bears poured in at such a rate that nearly all the factories were obliged to work overtime. The shipments of this new article of commerce are about 10,000 per week from this place alone and will doubtless increase in the future.

INCREASED SHIPMENTS OF PORCELAIN AND STONEWARE.

There was a very noticeable increase in the exports of porcelain and stoneware from this district last year, there being an increase in the value over the preceding year of $447,478. The exports in dolls' heads, electrotechnical articles, and fancy articles also greatly increased, and some of the factories are making nothing but these articles. There was also a large increase during the year in the exports from this district to the United States of china stoppers, which are used for bottles, and an effort was made to raise the price of these and also of fancy articles, figures, and toys because of the raise of 10 per cent in the wages of the workmen who make them and also because of a 10 per cent increase in the price of raw material, but the attempt proved futile, and prices remain as they were a year ago.

The future for the glass industry in this district appears good, in spite of the fact that the demand for glass marbles decreased somewhat after the prices were advanced in March, 1907; but what was lost in marbles was recovered in the increasing demand for small glass bottles to hold pills, tablets, etc. In the manufacture of Christmas-tree ornaments the industry was kept busy in spite of the fact that prices were very low.

CLASSIFIED EXPORTS TO THE UNITED STATES.

The following statement shows the value of the declared exports from this district to the United States during the past three calendar years:

Articles.	1905.	1906.	1907.
Artificial glass eyes	$583	$905	$1,462
Balata belting	13,141	15,222	38,025
Baskets	19,843	21,182	29,453
Beer and brandy	38,830	33,342	40,574
Cotton textures and yarns	13,201	12,699	12,518
Dolls and toys	2,336,873	2,637,731	2,862,446
Dry colors	890	12,833	8,679
Glass beads	26,869	35,624	33,156
Glassware	152,748	162,663	162,679
Glove leather	28,151	42,803	18,991
Guns	35,378	33,268	45,836
Manganese oxide	10,495	21,352	22,733
Marbles, china	19,985	22,664	25,810
Marbles, glass	21,412	23,975	22,596
Masks	18,295	18,981	23,019
Medicinal preparations	1,960	9,111	7,694
Metal ware	2,333	17,399	12,070
Paper ware	15,918	10,813	8,906
Porcelain and stoneware	1,546,868	1,795,414	2,242,892
Slates, etc	10,769	18,513	9,945
Steel and iron ware	20,679	22,130	33,037
Whetstones	6,369	9,208	9,118
Wooden ware	9,509	9,603	12,166
Woolens	36,549	91,156	63,584
All other articles	38,568	25,374	28,250
Total	4,426,216	5,103,965	5,775,639

Owing to its situation and surrounding conditions, Coburg has not thus far been a direct importer of American goods. Buying, as it does, from Berlin and one or two other large cities adjacent thereto, this Duchy is a good field for exploration by American exporters, provided good and experienced men are sent here to personally canvass the district. They must, however, be able to speak German, and also be prepared to meet German and other competitors in quality of goods, prices, and terms of credit. All things being equal, a good business can be established, especially in the better grades of footwear.

COLOGNE.

By CONSUL HIRAM J. DUNLAP.

The value of the exports declared at Cologne to the United States during 1907 was $4,380,150, against $5,037,844 in 1906 and $3,892,275 in 1905. The articles were as follows:

Articles.	1905.	1906.	1907.
Aniline salts and dyes	$1,609,714	$1,674,479	$1,592,942
Carbon of baryta and strontium	28,038	39,677	29,998
Cement	.....	.....	43,790
Chloride of barium	47,751	66,780	64,938
Chocolate and confectionery	59,764	66,027	66,194
Cologne water	13,994	15,851	9,261
Dress trimmings	11,498	8,101	17,155
Earthenware	75,195	54,763	41,276
Instruments, scientific	6,419	4,737	13,049

factured goods are steadily increasing. They are obtained through wholesalers or importers in the large business centers and seaports. American hardware is becoming more in demand. American made shoes and half shoes have become popular and enjoy a large sale among the better class of people. American canned fruits and meats are to be found in the larger delicatessen stores, confidence in the latter-named article slowly being restored.

TRANSPORTATION IMPROVEMENTS.

The extensive development in the matter of transportation during 1906 continued through 1907. The necessity of a four-city street-railway system was apparent from the first moment and the present results have exceeded expectations. These favorable results will encourage the cities of Suchteln and Dulken to extend their lines, so that in a few years the smaller towns of the rural district of Kempen, which is thickly populated and prosperous, will probably be connected by electric lines.

The opening of the coal fields in the northern part of the Crefeld district has also caused increased activity in the establishment of new means of transportation. The electric line connecting Homberg with Moers has been completed and its success is assured, as there are now about 10,000 workmen in and around Moers.

An excellent bridge was recently completed over the Rhine from Ruhrort to Homberg, and it has been decided that a bridge over the Rhine at or near Orsoy must be built. This will connect the great industrial districts of Essen, Dortmund, etc., directly with the left side of the Rhine and relieve the strain on the bridge at Duisburg to a great extent. State railway lines have been planned connecting Crefeld and Geldern with this bridge.

The construction of the new steam roads is of great importance to the farmers. They were formerly dependent on Crefeld for a market for their products, and in consequence the supply in that city was greater than the demand. Now through improved transportation they have cheap and direct connection with the coal and iron industrial districts, which have an enormous consumptive capacity.

In the western part of the district the lines planned are all electric; in the eastern part the new private lines projected are to be steam. The utilization of the gas from the coke furnaces for producing electric power is becoming of more importance each year and a number of the new electric lines will be furnished with the electrical energy from this source.

The entire district on the left side of the lower Rhine from Moers to Xanten and extending west almost to Geldern has been taken up by the larger coal companies and numerous shafts have been sunk.

DRESDEN.

By VICE-CONSUL-GENERAL ALFRED C. JACKSON.

The general conditions of Saxony in 1907, as far as can be estimated in the absence of statistics and returns, were favorable. The crops were good, manufactures showed favorably in comparison with former years and financial conditions had improved.

The sales of silks and velvets to the several countries, including Germany, during the past three years were as follows:

Countries.	1905.		1906.		1907.	
	Silks.	Velvets.	Silks.	Velvets.	Silks.	Velvets.
Germany	$8,013,846	$2,534,566	$9,131,888	$3,021,286	$9,444,224	$3,473,201
England	1,919,083	1,055,096	1,823,599	1,247,032	1,939,033	1,392,654
France	512,109	490,704	495,957	569,854	643,878	780,488
Austria-Hungary	394,935	82,158	474,910	102,595	529,220	133,562
Other European countries	812,065	326,622	874,604	405,502	1,006,624	563,064
Other countries	634,755	807,555	697,862	887,452	615,381	936,177
Total	12,286,793	5,296,701	13,498,820	6,233,721	14,178,360	7,279,146

DECREASE IN LOOMS.

In the Crefeld district in 1907 there were 75 silk factories, 23 velvet factories, and 9 mills, manufacturing both silk and velvet. In the preceding year there were 80 silk factories, 23 velvet factories, and 8 mills manufacturing both. This does not include the whole Rhenish silk industry, but includes those Crefeld firms whose factories outside are dependent, but not those firms who do the work in Crefeld for outside houses.

The number of hand and power looms in operation during 1907 was 13,223, against 13,740 in 1906 and 13,096 in 1905. An important part of the hand looms are in the country districts around Crefeld, but during the seasons when farm work demands the attention of the weavers little work is done by them. In silk weaving by power looms one weaver frequently attends to two looms.

The consumption of raw material during 1907 was 1,158,492 pounds of raw silk; 1,097,079 pounds of spun silk; 22,811 pounds of artificial silk; 5,179,826 pounds of cotton; and 226,304 pounds of wool.

COTTON-SEED CAKE—INCREASED PURCHASES OF AMERICAN GOODS.

The situation of the cotton-seed mills in the Crefeld consular district becomes worse from year to year. The farmers who formerly were compelled to make butter from their milk are now able, through improved means of transportation, to send the milk to the large industrial cities, obtaining much better prices for it than if made into butter. They claim that cotton-seed cake as a fodder tends to produce milk of a richer quality but of less quantity. Formerly their aim was to obtain milk containing the highest percentage of butter fat, satisfactory results being obtained through the use of cotton-seed cake or meal, but at present they are using other foods for the cattle, as their aim is now to increase the amount of milk. The cotton-seed oil is easily disposed of to the manufacturers of margarin, soap, etc.

The purchases of American grain increa l
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DRESDEN.

By VICE-CONSUL-GENERAL ALFRED C. JACKSON.

The general conditions of Saxony in 1907, as far as can be estimated in the absence of statistics and returns, were favorable. The crops were good, manufactures showed favorably in comparison with former years and financial conditions had improved.

The land under cultivation in Saxony during the year and the resultant crops were as follows, area being given in hectares of 2.471 acres:

Crops.	Hectares.	Tons.	Crops.	Hectares.	Tons.
Barley	28,489	62,329	Potatoes	127,731	1,847,938
Clover	78,074	504,637	Rye	204,200	394,181
Oats	202,674	483,574	Wheat	50,438	120,021
Pasturage	150,962	.....			

The Saxon railroads, with the exception of a few small roads, are the property of the state. In the beginning of 1907 the length of the railroads under the Saxon government was 1,930 miles.

SALES TO THE UNITED STATES.

The exports declared at Dresden to the United States during 1907 were valued at $4,472,250, consisting of the following principal articles:

Articles.	Value.	Articles.	Value.
Beer	$55,128	Machinery	$172,640
China and earthen ware	566,249	Metal goods	154,256
Cotton goods	90,000	Paper and paper goods	49,030
Colors, etc	20,889	Straw pulp	38,766
Drugs and chemicals	221,152	Tobacco and cigarettes	1,096,605
Fancy goods and toys	50,430	Woolen goods	28,885
Flowers, artificial	909,877	Yarn, worsted	46,292
Fuses, safety	25,164	All other articles	47,691
Glassware	83,584		
Lithographic prints	415,012	Total	4,472,250

EIBENSTOCK.

By Consul William C. Teichmann.

Reviewing the export situation of German commodities from the Eibenstock consular district to the United States for 1907, a marked reduction in figures as compared with 1906 and 1905 is noticeable. The total figures for these three years were: 1907, $1,527,108; 1906, $1,776,958, and 1905, $2,136,210. By far the larger part of the 1907 decrease occurred during the second half of the year and must be ascribed to two principal causes: First, the enforcement of the German-American customs agreement since July 1, 1907, and second, the economic depression here which followed the American crisis of last fall.

Regarding the effect of the customs agreement, a shifting of certification of goods exported to the United States from this district to consulates located in other districts can now be legalized at consulates outside of the district where they were manufactured, provided they were purchased at the city where the certifying consul has his office.

As to the other cause of the diminution of exports to the United States it may be stated that American buyers materially reduced their annual purchases in the Saxon market, approximately involving a loss of more than 50 per cent in export business to many manufacturers in this district, and also that many American orders of last year, not filled when the financial flurry appeared, were canceled. The export figures at this consulate show a decrease during

the period from July 1 to December 31 from $905,240 in 1906 to $488,256 in 1907.

INCREASE IN SALES OF KID GLOVES TO THE UNITED STATES.

The largest item in exports, as in 1906, was again represented in 1907 by kid gloves, all manufactured by two large establishments at Johanngeorgenstadt. The total export values for this commodity were, in 1905, $365,909; 1906, $572,992, and 1907, $695,741. While nearly all dry goods showed a falling off in exports last year, the total export of kid gloves increased considerably, but this gain was confined to the first half of 1907, and was so large as to overcome the decrease of $73,922 during the period from July 1 to December 31, 1907, as compared with the corresponding months of 1906. Regarding the manufacturing, wage, and export conditions of this industry, the economic depression which spread over Germany has materially affected the production in the kid-glove line in the Erzgebirge, of which Johanngeorgenstadt may be considered the center for this industry. In that neighborhood recent enumerations show that 2,220 kid-glove workers, 997 male and 1,223 female, were out of employment. Similar conditions prevailed on the Bohemian side of the Erzgebirge.

The long mousquetaire kid glove made there never became very popular in Germany, because of being too expensive, and since this glove was bought in immense orders for American demand until last fall, the subsequent material recession of this trade after the financial crisis set in has proved to be almost a calamity to the affected industry in this section of Saxony. One of the two large manufacturers and exporters to the United States at Johanngeorgenstadt, in order to tide over the crisis, transformed his establishment to a stock company, with a capital of $255,850. The total export of this firm to the United States in 1907 amounted to $379,260. An attempt of the new company to cut the wages nearly developed a strike, which was averted, however, by the concession of the company to continue the old wage scale.

In the meantime efforts are being made to introduce the manufacture of the long lace and cotton glove, which is gradually supplanting the long kid glove in Germany. However, the two large kid-glove establishments will continue to manufacture the leather glove, calculating on continued American patronage and popularity of the mousquetaire variety, although orders are not confined to the long glove, as the short glove made here is extensively sold in the United States.

TRIMMINGS, HOSIERY, AND LACES.

Trimmings, embroidered and beaded, rank second in export figures to the United States for 1907. The value of these exports was: 1905, $220,175; 1906, $201,351; and in 1907, $133,235.

The steady improvement of the machinery used for the manufacture of laces and trimmings has gradually reduced the manual labor formerly required in the production of these goods to such small numbers as to overcome the one obstacle to the manufacture of these articles in America, the labor-wage problem, just as the substitution of machinery for manual labor has advanced other branches of American manufacturing.

At Eibenstock there is considerable of a so-called pearl-bead trimmings, fringes, and curtain industry, with export to the United States

slowly picking up, although still of moderate proportions. The largest concern in this branch has recently placed a novelty on the market, thus far made exclusively in Germany at Eibenstock, with branches at Weipert and Gablonz, in Bohemia, Austria. It is a window shade made of Bohemian and Venetian glass pearls together with German cut beads and glass sticks.

The largest reduction in exports to the United States as certified at this consulate, in 1907, was experienced in cotton hosiery, the respective figures for the last three years being: 1905, $699,028, 1906, $321,032; and for 1907, $112,870. This article is manufactured chiefly at Gornsdorf and Thalheim, in this district, but frequently sold at Chemnitz, and the invoices for export to America are certified there.

The export of laces and lace curtains, which had already diminished from 30 per cent to 40 per cent, in 1906, continued to decline, dropping to $41,888 for the former and $15,584 for the latter during 1907. With the gradual growth of these industries in the United States in recent years this export is likely to continue to recede, although the brands of lace curtains made in Eibenstock class with the finest made anywhere, windows being decorated in America with Eibenstock hand-made lace curtains which sold direct at $500 per pair for one window alone, according to the statement of the leading manufacturer of this article here.

The export of embroideries, exclusive of embroidered trimmings, held its own in the past year and even slightly increased, the figures being $55,314 for 1906 and $58,763 for 1907. This is an industry flourishing in the towns of Schneeberg and Schönheide, and principally produce covers for furniture and ornaments, embroidered shawls, etc.

In linen goods the exports during the last three years showed a decrease as follows: 1905, $164,373; 1906, $135,494; 1907, $80,489. The proximity of the factories of these goods to the Chemnitz jobbing center has naturally resulted in a shifting of this trade and certification of American invoices to the Chemnitz consulate, in addition to recession of American orders.

SHIPMENTS OF COLORED PAPER, METAL, AND ENAMELED GOODS.

The increase in export of colored paper rose from $63,803 in 1905 to $96,423 in 1906, and in 1907 it reached a value of $106,209. This item is confined to a certain glazed flint paper and is made at Niederschlema, in this district.

Some gains were recorded during the year in the export of metal goods, which had dropped considerably in 1906 but rose again to $44,197 last year. This item represents several varieties of stamped tinware and metal plated ware recently entering the market, such as is known under the name of Argentan, Nickelin, Alpacca (Pacfong), etc., representing table-service metal goods, metal wire, and the like.

Enameled goods, principally kitchen ware, the export of which rose from $20,312 in 1905 to $111,460 in 1906, showed a recession to $96,234 last year. There are five establishments in this district which export to the United States, but one large firm, located at Lauter, with offices at Leipzig, has by far the largest share of this trade.

CLASS OF AMERICAN GOODS IN DEMAND.

Looking the district over for import conditions from the United States, the absence of large cities and jobbing centers in this district

renders wholesale trade almost impossible. The twenty cities and larger towns are all supplied from the wholesale houses outside of the consular district. There are many articles in the hardware, groceries, fruits, cereal, machinery, and provisions lines which could be sold indirectly from warehouses and storehouses located at large trade centers in Germany, one of which could be started at Leipzig or Chemnitz in Saxony. From such a central distributing point drummers could be sent to canvass this district as well as others in Germany, and literature, printed in German, with weights and measures given in the metric system (used here solely), and prices given in German money, could be distributed judiciously over the district. The American commodities now bought in this district, but nearly all indirectly from middle dealers outside, are cotton, petroleum, flour, watches, some articles in the hardware and groceries lines, sewing machines, typewriters, lard, apples, cash registers, lumber, canned goods, possibly bacon, and here and there furniture principally for office use.

The American bung for beer barrels, which is recently crowding out the German bung, will eventually control the market in Saxony, and possibly in other sections of Germany as well, because of its superior almost air-tight quality as compared with the German article. When the district is well canvassed for the American boot and shoe it will be seen that a specially heavy, but cheap, boot for this severe climate with plenty of rain in summer and six months snow in winter would sell well here. American wooden ware, especially buckets of all kinds, washtubs, etc., would find an excellent market in Germany. The metal bed is gradually gaining favor in Germany, but not in cold regions, where the wooden bed is considered warmer. However, in many sections of Germany the American metal bed would find an excellent market, which idea applies with equal force to furniture.

CLASSIFICATION OF EXPORTS.

The exports declared at Eibenstock to the United States during the past three years are shown in the following statement:

Articles.	1905.	1906.	1907.
Baskets	$13,807	$8,018	$8,324
Brushes	29,688	7,949	6,864
Colors, chemical	18,247	10,313	7,256
Crockery	20,655	8,796	1,555
Embroideries	67,071	55,314	58,763
Enameled goods	20,312	111,460	96,234
Gloves:			
Cotton	22,322	32,480	6,507
Leather	365,909	572,992	695,741
Hair laces	.....	950	8,251
Hosiery, cotton	699,028	321,032	112,870
Laces	103,087	61,627	41,888
Lace curtains	33,272	19,086	15,584
Linen goods	164,373	135,494	80,489
Machinery	7,321	14,338	10,771
Metal goods	137,053	16,848	44,197
Paper, colored	63,803	96,423	106,209
Silk, mixed	12,769	24,785	5,062
Toys	85,170	40,313	36,774
Trimmings	220,175	201,351	133,235
Wooden goods	5,859	7,991	6,777
Woolen goods	.....	.....	17,046
All other articles	46,289	29,398	26,711
Total	2,136,210	1,776,958	1,527,108

FRANKFORT.

By CONSUL-GENERAL RICHARD GUENTHER.

Although the second half of 1907 showed a falling off in volume, it can still be called a satisfactory one for the interests of the trade, commerce, and industries of this consular district. The principal causes for the decline in the second half of the year were the continued high prices of almost all raw materials, an increase of the price of coal, higher wages necessitated by the increased cost of living, and the steady rise of the interest rate on loans. In consequence of the enhanced cost of almost all the necessaries of life, which was not entirely compensated for by an increase of wages, the purchasing power of the people was curtailed and they had to economize, which again affected home trade to a considerable degree.

The favorable condition, however, of German agriculture compensated to a considerable degree for the decline of business of the other German industries; the high prices for breadstuffs enabled the farmers to become heavier buyers of industrial products, while, on the other hand, the industrial working classes suffered in consequence of the high prices for breadstuffs, and especially of the very high prices of potatoes.

INDUSTRIAL CONDITIONS.

The building industry is one which responds quickly to a tight money market, and the result of the rate of interest caused almost a cessation of building operations and financial stress even of the larger firms. This unfavorable condition affected the many industries dependent more or less upon the building trade.

The metal trade was severely affected by the enormous decline in metal prices. Some branches of the metal industry of this consular district, while business was still satisfactory after the first half of the year, began to feel the industrial depression afterwards, especially those which are connected with the building trade, and prices declined materially. Although this industry was confronted in May, 1907, by a strike of the metal workers, the year, taken as a whole, can not be called an unsatisfactory one.

The chemical industry was very well employed almost up to the end of 1907. The high prices of raw materials, especially of coal, the difficulties of exports to Austria, Italy, and Russia, and the unfavorable conditions of navigation curtailed the profits. For the trade in raw hides the year was very unfavorable and is pronounced the poorest in fifty years.

In the millinery line the business was good, although a decline set in toward the end of the year. The wine trade was not unfavorable and sales continued to be good up to the close of the year.

HIGHER PRICES FOR CEREALS—MACHINERY.

In cereals the volume of business came up to that of the previous year and prices were higher than in 1906. The reason is believed to have been poor crops abroad, but the higher tariff duties may have contributed to the result. Toward the end of the year prices declined considerably. American corn was imported in the beginning of 1907; the quality, however, was too damp and the demand ceased after several shipments had arrived in poor condition, with

the exception of "kiln" and "Hess" dried sorts, which found some customers. Argentina, Russia, and the Danube states took the place of American corn.

The wheat-flour mills did a good business, the best since 1898 in volume and prices. The trade in bran was very brisk until fall, when it became depressed. Prices were about 10 per cent higher at the close of the year than in January of 1907. Cotton-seed meal is finding a readier market in southern Germany than heretofore, although the rather high prices prevented a very much increased demand.

The manufacture of machinery in all its branches was very prosperous, especially in the first half of the year, while toward the end of the year a slight decline was noted, owing to the general reaction in business. In machinery for the shoe and leather manufacture the business was livelier, and the transactions larger than in 1906; the same can be said for the sewing-machine branch, although the high prices of raw materials and half-finished articles reduced profits. The continued scarcity of agricultural labor increased the demand for all sorts of farm machinery, so that business in this line was even better than in 1906. The export trade in this line was very satisfactory; the imports also show an increase over the previous year.

CHEMICAL AND TAR COLORS INDUSTRIES.

The chemical industry, which is a very important one in this consular district, was exceedingly well employed during 1907, and largely increased several of its products, necessitating enlargement of plants, and even then the supply hardly met the demand. Only in November, in consequence of the copper crisis, which affected American business very unfavorably, a decline set in, although most of the works were still fully employed.

The condition of the tar-colors industry during 1907 was generally satisfactory. The volume of sales increased for home consumption as well as for export. The cost of production, however, increased materially; the prices for all raw materials were climbing higher, and wages had to be increased to compensate for the increased cost of living. The higher prices for coal especially were felt keenly, and even at the advanced figures the supply by the domestic coal mines was insufficient, so that English coal had to be imported at high figures. The increased cost of production of coal-tar colors was not met by corresponding prices of the finished products.

FOREIGN RESTRICTIONS INJURING GERMAN SALES.

With reference to the exports the fears which were entertained in consequence of a higher tariff for such colors by Austria-Hungary did materialize. The German manufacturers had to make strenuous efforts to maintain their dominating position in the Austrian markets against home competition.

Bulgaria recently placed many obstacles against the German imports of coal-tar colors; among others each shipment must have a certificate by the Bulgarian customs-house authorities that an analysis has shown the colors to be free from poison, while heretofore a certificate that the colors contained no metallic poisons, notably arsenic, was sufficient. These new regulations amount virtually to a prohibition of imports of German colors.

Australia imposes a duty of 5 per cent ad valorem upon colors of German origin, while English colors are admitted duty free.

The German color industry is seriously affected by the new patent law of England, which went into effect on August 28, 1907, and provides that the numerous patents owned in England by German firms become void if the articles are not produced on a large scale within one year, so that the home demand is supplied by work in England. The result is that the German color works will have to erect branch factories in England at a great expense.

The manufacture of fine leather goods could only succeed by strenuous efforts to keep the volume of sales up to that of 1906. It was fortunate for its interests that the fashions were favorable, especially in ladies' bags and belts. The exports also decreased, especially to the United States. Exports of cheaper goods to many foreign countries almost ceased, while higher class articles could only be exported at greatly reduced figures which left little profit. The trade in trunks was not a bad one in 1907, although it did not reach the high mark of 1906.

SALES TO THE UNITED STATES.

The value of exports declared at Frankfort to the United States in 1907 was $9,104,328; those at the Cassel and Wiesbaden agencies amounted to $220,370 and $914,906, respectively, making the total shipments from the consular district during the year to the United States $10,239,604, a decrease of $410,047 from 1906. The leading items from Cassel were: Barytes, valued at $52,553; clay, $66,058; skins, $24,292; corset steels, $73,685; dolls, $7,926, and optical glasses, $3,723. The principal articles from Wiesbaden were as follows: Aniline colors, worth $416,025; oxalic acid, $152,454; wine, $183,424; cement, $55,563; clay pipes, $15,030; stoneware, $15,719, and fertilizer, $5,166.

The following statement shows the articles and value of the shipments from Frankfort to the United States during the past three years:

Articles.	1905.	1906.	1907.
Antiquities	$33,668	$12,441	$11,264
Asbestos goods	2,471	13,040	26,747
Beaded articles	9,641	25,903	15,477
Books	15,323	2,901	10,572
Chemicals and drugs	2,740,766	2,755,666	3,217,116
Chinaware	6,730	21,855	79,320
Cigar labels	6,707	11,764	25,249
Clay	54,034	91,588	93,194
Enameled ware	18,042	18,744	14,020
Fancy goods	40,614	57,693	114,365
Gelatin	107,099	116,916	185,739
Glue stock	.....	4,456	16,957
Hair	310,707	266,106	135,389
Hops	30,072	15,358	23,707
Jewelry	27,752	37,597	38,453
Ivory ware	8,361	11,327	15,996
Laboratory goods	6,201	8,975	59,979
Leather, and manufactures	348,586	437,872	486,757
Lithographic prints	52,417	84,702	145,080
Machinery and tools	16,509	18,549	32,757
Metal goods	33,662	49,129	101,529
Mineral water	19,655	10,661	13,386
Musical instruments	8,931	20,415	41,650
Optical goods	68,448	75,638	60,995
Paintings, oil	6,145	17,860	11,734
Paper	203,042	237,178	271,448
Platinum	936,179	1,151,446	1,178,741

Articles.	1905.	1906.	1907.
Rags	$19,606	$17,529	$20,025
Rubber, and manufactures	36,474	79,917	94,213
Sausages	47,559	43,270	59,615
Silk, artificial	405,214	371,430	600,796
Silverware	97,522	116,976	76,691
Skins	1,292,905	885,667	961,510
Soap and perfumery	22,047	21,694	20,276
Steelwares	25,736	45,309	88,120
Textiles, linen	36,000	30,568	32,114
Valise frames	20,084	40,175	35,657
Wine	81,302	77,712	60,882
Wood pulp	11,230	10,978	11,262
Wool	23,334	139,529	186,437
Zinc dust			299,086
All other articles	127,251	319,291	130,023
Total	7,367,026	7,775,825	9,104,328
Returned American goods	22,579	42,058	69,684
Grand total	7,389,605	7,817,883	9,174,012

FREIBURG.

By CONSUL E. THEOPHILUS LIEFELD.

In regard to the spinning of cotton thread and dyeing, I am informed that, taken as a whole, the condition of business was favorable and somewhat better than the previous year.

There was a good demand for the productions of spinning and weaving. The spinning could still be improved, which in both the previous years was considerably affected by the fluctuations in the prices of the raw materials. The changes in the price of the goods were small and steady. On account of the influence of the condition in the market of the raw material, there was a general rise in the price for cotton. The selling price was not perceptibly increased by this increase in the value.

There was, in general, a sufficient amount of obtainable labor, but not without the aid of foreigners. The condition of labor was made better, especially on account of the number of working hours which were changed from 11 to 10, and maintaining the same scale of wages and a proportionate increase in the contract price.

CONDITION OF THE KNITTING, YARN, AND SILK INDUSTRIES.

According to a report of one of Freiburg's manufacturers of cotton knitting and weaving yarn, the business condition of his factory was favorable and the course of business brisker than in the previous year, and the demand had never been stronger. This same manufacturer also states that he had full orders for his finished goods until the fall of 1908. Material changes in the business had not taken place. The report mentions a lack of women employees. No trouble during the year between capital and labor took place.

As in other industries, the silk industry was greatly influenced by the increased prices of the raw materials. It was with difficulty that corresponding prices to the increase of the cost of the raw materials could be maintained in the finished product. For example, the silk yarn increased in price the first of the year. The duty of entry upon silk thread was decreased from 33 cents to 29 cents per 2.22 pounds,

the result of which was that the Italians, who had previously imported a large part of this class of goods, now increased their productions and importations, and the competition affected the German manufacturer. The French customs requirements for the exportation of these goods to France had also been a drawback, it is claimed. For dyed sewing silk Belgium had also increased the duty on importations from March 1, 1906; at the end of the year more favorable changes in the Belgian tariff were made, but the business with this country was behind that of other years. Another firm also reported that increased tariffs in foreign countries had made their business dull.

HEMP SPINNING—WEAVING OF FLAGS.

The hemp spinning and cord thread industries encountered numerous difficulties during the year. A coal famine had its influence upon the business, and the disturbances caused by the shortcomings of some foreign railroads, which caused considerable delay in the procuring of the raw materials, and also the otherwise increased cost of raw material, did not make the year 1907 a favorable one for this class of industry.

The prices of the weaving of flags and fancy knitting had to be increased on account of the increased cost of the raw materials. The increased tariff for this class of goods in France was felt by the industry. Much of the work had to be done in Switzerland on account of the lack of labor. Foreign competition was also felt.

ACTIVITY IN THE BUTTON INDUSTRY.

At the button factory located in Freiburg, which is the largest of its kind in Germany and the second largest in Europe, about 400 men are employed. The conditions of work during the year 1907 were in general satisfactory, inasmuch as the laborers are not organized and are, in general, satisfied with their pay, some of them having been in the same employ for twenty to thirty years. There are comparatively few women employed, because the occupation as sales girls, even with smaller pay and more hours of labor, seems preferable, from the feeling that such labor is more honorable than factory labor and that they would accordingly be in a higher social class. Fully nine-tenths of the manufacture of buttons are exported and the business is mostly with South Africa and South Asia. Competition comes chiefly from Bohemia and Italy, where the wages are extremely low, being at the rate of 9.7 cents per day, whereas here similar labor would pay 31 cents. While night labor is allowed here for the men it is not allowed for women, except by special permission from the police authorities and then only forty nights in the year. Buttons are fastened on the cards by the people throughout the Black Forest and Kaiserstuhl districts, and probably there are from 10,000 to 20,000 men, women, and children in this section who do this work, receiving pay by the piece. The authorities, it is stated, refuse to allow children under 12 years of age to even sew buttons on the cards and a parent it not permitted to get a supply of buttons for any other parties than his own family, so that even the neighbors' children are not permitted to assist in the sewing on of the buttons.

BLACK FOREST TRADE—NAVIGATION OF THE UPPER RHINE.

In the Black Forest the conditions were more favorable, since the clock industry was in excellent condition and the prices of lumber high, which was a means of keeping the money in circulation. The laying of the new railroad, Lenzkirch-Bonndorf, made transportation facilities better and no doubt it will have the effect of lowering freight rates. In the industries there was a lack of labor to such an extent that laborers had to be imported from all over the world, especially from the south, which consequently brought about a moving of the working class families from place to place. This had a bad effect upon the small dealers, because they lost much time by the shifting of workingmen in this way.

One of the projects in which the people of this consular district are deeply interested is the navigation of the upper Rhine. The interest taken is very great and there seems to be such an awakening to the importance and the realization of this undertaking that it is now only a question of a few years when all the difficulties will be surmounted, and it will be possible to travel by boat from the Netherlands or Belgium to any of the important places on Lake Constance and even into Switzerland, for the possibilities of the several large Swiss rivers as navigable waterways are also being properly appreciated, and it is realized that with a few short canals even Lake Geneva can be reached by boats from the Rhine.

That the enthusiasm for the great undertaking is felt even beyond southern Germany and Switzerland is evident from the recently published plans of an Italian engineer, who advocated a specially constructed system of canal locks whereby a canal boat would be carried across the Alps to Italy and, in course of time, even Italy would have water transportation toward the North Sea.

A SHORT NAVIGATION SEASON.

The Rhine is at present navigable for all river boats as far as Mannheim and for freight boats as far as Strassburg. The main efforts are now especially directed toward improving the river between Strassburg and Basel, thus giving water facilities to several large or important cities—as Schlettstadt, Colmar, and Muelhausen, in Alsace, already reached by the Rhine-Rhone canal system, and Offenburg, Lahr, Breisach, Freiburg, and Badenweiler, in the Grand Duchy of Baden, without any canal systems. As regards the navigation of this section, during the year 1907 the navigable season was short, extending only from April 29 to July 9, and that the distance between the Kehl-Strassburg landing to that of Basel is 77.6 miles, which was covered unobstructed.

There were six trips made up the river, with an average cargo of 448.8 tons, at an average speed of 3.23 miles per hour, and the five trips down the river were made with an average cargo of 205.2 tons, with a speed of 11.92 miles per hour. The distance up the river from Strassburg to Basel was covered on an average of twenty-four hours and twenty-six minutes and the distance down the river in six hours and thirty-eight minutes.

EXPORTS TO THE UNITED STATES.

The value of exports declared at Freiburg to the United States in 1907 showed an increase of $49,218 and $393,675, respectively, over

the two previous years. The leading items are shown in the following statement:

Articles.	1905.	1906.	1907.
Arithmometers	.....	$1,665	$7,160
Barytes	.....	6,956	21,242
Books	$49,575	58,792	55,012
Buttons	15,755	12,104	13,223
Chemicals	11,078	42,759	27,429
Clocks and parts	134,628	112,301	106,637
Cotton manufactures:			
Textiles	244,140	185,316	165,797
Thread	30,894	52,745	89,045
Underwear	28,684	48,179	84,387
Yarn	.....	2,494	2,427
Horsehair, imitation	.....	9,325	24,468
Leather	2,515	23,377	11,149
Lithographic prints	6,414	11,274	21,285
Machinery and parts	133,042	374,508	176,642
Musical instruments:			
Organs	13,918	25,094	30,414
Pianos	2,268	12,469	15,888
Paper, and manufactures:			
Boxes	916	5,460	8,352
Hangings	48,576	72,247	87,742
Other	3,251	9,963	12,302
Ribbons, velvet	20,628	21,442	44,323
Silk goods, including artificial	76,369	67,980	147,178
Underwear, ramie	.....	.....	25,636
Woolen textiles	103,383	80,726	105,128
All other articles	74,926	168,691	111,769
Total	1,000,960	1,345,417	1,394,635

GLAUCHAU.

By Consul George A. Bucklin.

The industries of this region, until about October 1 last, were marked by unusual activity. Many establishments worked overtime to keep up with accumulating orders. Unfavorable conditions in the United States, however, were the beginning of a more general setback, which makes the outlook less hopeful for 1908.

A careful canvass of the district during the past year showed a total of 211 firms manufacturing for export. Of this number 48 manufacturers sent goods to the United States. In addition to these exporting manufacturers there are hundreds of less important firms which either do job work for those which export or find a domestic market for their products. The chief industries represented are manufactures of dress goods, hosiery, buckskin cloth, vicuna cloth, machinery, chemicals, bed covers, kid gloves, knit garments, embroidery, curtains, paper, dye, shoes, furniture, looms, chinaware, mining lamps, machine needles, buttons, tools, the making of stoneware and brick, and the mining of coal.

LABOR CONCESSIONS—ATTACHMENT FOR LOOMS.

The continuation of the movement for higher wages and shorter hours disturbed temporarily many of the lines of industry. The increased cost of living made labor persistent in its demands, and concessions in most cases have been gained. The effect has been, however, to increase the difficulty met by the manufacturer in competing in foreign markets.

The invention of a power attachment for hand looms by a master weaver of this district promises to bring the weaving industry back into the homes again to a considerable extent. Almost every village

has cheap electric power, and there are hundreds of hand looms which have been driven out of use by the factory power looms. With the attachment mentioned the looms will be driven by electric power, and as the conditions in the home are favorable for economic production, the loom being in the living room where expense of special heating is saved, and the wife and children helping, competition with factory looms will be made possible.

TRADE WITH THE UNITED STATES.

There are practically no direct importations from the United States into this district, orders being filled by importers and wholesalers in Bremen, Hamburg, Berlin, etc. There are no statistics showing the amount of American goods which comes into this district, but there is reason to believe that the amount is considerable. Novelties, conserved meats and fruits, tools, patented machines of various kinds, and oil are the articles which find the largest market. American tools and machines rank high, and if careful attention was given to this market by American manufacturers it would result in a considerable expansion of trade.

The export from this district to the United States during the past year was much larger than is shown by the tabulated statement of exports herewith. This is due to the fact that during the latter half of the year much of the goods exported was legalized by agents at outside consulates. Thus, for example, the declared value of hosiery at this consulate during the first six months of 1907 was $143,287, and for the second six months only $13,825. Likewise in the export of kid gloves, as during the first six months the value was $72,471, and during the second six months only $6,267. This has now been remedied, and the goods are again being legalized at this consulate.

In addition to this, the financial flurry in the United States operated greatly to reduce exports during the last three months of the year. Nevertheless, the total export for the year reached a point higher than at any time since 1898. The increase is made up chiefly of dress goods of higher values which were favored in finding a market by the prevailing fashions. Another noteworthy increase has been in the export of knitting and weaving machinery. This amounted in 1905 to $2,612, and in 1907 to $23,779.

EXPORTS TO THE UNITED STATES.

The exports from Glauchau to the United States in 1905, 1906, and 1907 are shown in the following table:

Articles.	1905.	1906.	1907.
Buttons	$435	$2,929	$2,851
Chinaware	33,090	42,416	28,767
Dress goods	457,840	534,364	767,350
Gloves, kid	122,857	130,966	78,737
Hosiery:			
Cotton	342,026	193,313	132,040
Silk	52,622	29,394	24,521
Wool	2,949	285	552
Lamps and parts	6,904	7,917	16,624
Machinery, knitting and weaving	2,612	8,542	23,779
Scrubbing cloths	10,029	9,893	18,201
Underwear	15,619	7,051	5,170
Vestings, fancy	4,035	4,796	10,925
Yarn, cotton	1,289	6,882	1,988
All other articles	23,608	19,529	14,953
Total	1,075,915	998,277	1,126,458

HAMBURG.

By CONSUL-GENERAL HUGH PITCAIRN.

Soon after the beginning of the year 1907 unmistakable signs of a general decline of business made themselves felt in commerce, shipping, and industries. In the spring the demand for money to an extraordinary degree commenced to prevail, and speculative concerns accumulated certain articles in large quantities—for instance, coffee and copper—for the purpose of holding for higher prices. Although prices for cereals advanced considerably, chiefly owing to the increasing demand for home consumption in the United States, as well as to the unsatisfactory Argentine crop, and, besides several fertilizers, particularly nitrate, keeping up their prices, a slow but constant decline of the market set in in almost all other products during the second half of the year, and many articles, like copper, zinc, jute, hides and skins, were subjected to a great fall in prices. A few branches of the textile industries, shipyards, and similar industrial establishments, although able to look back upon the year as one with comparatively satisfactory results, suffered considerably under the general depression toward the end of the year.

In view of the active commercial relations which Hamburg, as Germany's chief port, maintains with the United States the crisis on the money market last fall had a very unfavorable effect upon the local business market. The distrust which was expressed in many commercial houses, caused partly by the failures of the oldest Hamburg private banking house, and of a number of firms engaged in export and import business, proved, however, not to have been caused by the crisis on the money market, as it was shown that such firms had not become victims of the latter.

SHIPPING CONDITIONS.

The situation in the shipping business was unfavorably influenced during the year by the several strikes and general increase of working expenses. For steamship lines the extraordinarily high price of coal was of great consequence.

Most of the Hamburg steamship companies engaged in regular trades, the tonnage of which comprises 80 per cent of that of the entire fleet of steamships of this port, can look back upon the results of last year as being favorable. It is true that during the last months the lack of improvement in the general economical situation also made itself unfavorably felt in shipping business, but the sound financial basis of the majority of Hamburg shipping companies gives reason to believe that this port will overcome the falling off of trade without lasting damage.

Emigration via Hamburg, chiefly from Austria-Hungary and Russia, increased in the spring to an exceptionally high mark, but during the latter half of the year declined so much that it almost arrived at an absolute standstill. In its place the enormous exodus of laborers from the United States set in, which appears to be still continuing.

Hamburg and other German shipowners engaged in tramp shipping had, in general, better results in 1907 than in the preceding year, for the reason that until late in the fall freight rates were held at remunerative points. A [illegible] for sailing ships was, in general, better than in [illegible] local sailing-ship com-

panies and other owners, after a lengthy period yielding little or no profit, were able to book comparatively satisfactory results.

There was an extraordinarily large demand for colliers, chiefly for Chilean ports, and the freight rates paid for such transports were generally high, whereas for home-bound voyages freight rates for cargoes of nitrate were extremely low, so that, in view of such unfavorable conditions, and also partly owing to the insufficient docking, discharging, and loading facilities in Chilean and Peruvian ports many shipowners preferred to send their vessels in ballast to Australian and Northern Pacific ports, where at times the freight market was more favorable.

HARBOR IMPROVEMENTS—RIVER NAVIGATION.

Since the completion of the new harbors and quays at Kuhwaerder in the years 1902 to 1903, of which the largest part has been leased to the Hamburg-American Line, the tonnage of vessels entering and leaving this port has increased to such an extent that at times there was not sufficient room for a speedy berthing and dispatch of ships. In consequence thereof further improvements are contemplated, chiefly in the shape of constructing new quay walls, with discharging and loading appliances and sheds for the storage of merchandise.

During the greater part of the year the several companies doing business in river navigation on the upper Elbe were busily engaged, and freight rates were generally high. This trade, however, was also unfavorably influenced by the Hamburg longshoremen's strike which broke out in the spring.

In the summer an agreement was arrived at by all Elbe shipping companies under which three large corporations leased their entire business to the Vereinigten Elbe-Schiffahrts-Gesellschaften, so that the latter gained thereby a monopoly-like position in the Elbe shipping trade.

DEEP-SEA FISHERY—METAL EXCHANGE.

The plan resolved upon last year by the senate and house of burgesses of Hamburg for the establishment of a high-sea fishery market at Cuxhaven has since been accomplished, and represents an important step in favor of German deep-sea fishery, and one which will be of great benefit, particularly to Hamburg and Altona fishermen. In the same manner as the large fish market at Ymuiden, that of Cuxhaven is equipped with all facilities necessary for a speedy discharging of vessels, with sales rooms, and for transshipment of fish to inland points by rail.

In the beginning of 1907 local business men interested in the metal trade planned the establishment of a metal exchange in Hamburg. After a number of meetings held under the auspices of the Hamburg Board of Trade an association was formed by all local firms participating in trade in metals, which was also joined by a number of other German and foreign firms. The work of this association, which will be devoted to the execution of the project, has not yet been completed, but a favorable result is anticipated.

FOREIGN TRADE.

The unfavorable business situation and financial stringency in the United States naturally exercised to a considerable extent an influence upon German and particularly local trade. In the beginning of the

year there was an increase in both the exports to the United States and the imports from that country, whereas the crisis on the money market in the fall resulted in an absolute stagnation in business.

Business with Mexico was satisfactory, but decreased somewhat during the latter part of the year. Exports from Germany to that country increased, particularly in machinery, whereas in textiles there was no improvement in the situation.

Hamburg's trade relations with Venezuela did not develop favorably during the year 1907, chiefly on account of the poor coffee crop and bad prospects for the coming one.

Trade with Brazil in general took a normal course and was furthered by the fact that most of the products of that country sold at high prices, except hides, cocoa, and india rubber, the market for which receded considerably in the latter part of the year.

TRADE WITH SOUTH AMERICA AND THE ORIENT.

Commerce with the River Plate States was not as favorable as in previous years, the cause of which may chiefly be traced to conditions of the grain and sugar crops. The short crop of the latter article was so considerable that large quantities of raw sugar were exported from Europe to Argentina, which had not been the case for a number of years.

The economical conditions prevailing in Chile had an unfavorable influence upon the trade of Hamburg with that country. Business in nitrate, however, was very satisfactory. Exports from Hamburg to the other republics of the South American west coast increased in many articles.

Trade with East India was in general not satisfactory last year, although there was an increased demand for German textiles.

As regards the commercial relations with China, there was a marked increase in the exports to that country in a few articles, namely, railway material, machinery, electrical supplies, cement, artificial indigo, and needles. In the imports from China there was an increase only in raw silk, mattings, and sesame seed. The imports of hides and many other articles decreased quite considerably.

Business with Japan and Korea was in every respect normal. The exports increased to a certain extent during the latter part of the year, and Germany had a fair share in the supplies of locomotives and rails, machinery for sugar factories, arsenals, etc.

For German commerce and shipping Siam is a country which is gradually becoming important; business with that country further developed favorably, whereas there was a decline in the trade with the Straits Settlements, which was to a degree due to the depression of the prices for tin, india rubber, tapioca, and copra.

As regards the Philippine Islands, the measures taken by the United States Government for the improvement of conditions on the islands did not fail in their effect. During the year the Hamburg export business to the Philippines developed satisfactorily.

SALES TO THE UNITED STATES.

The exports from the Hamburg consular district to the United States amounted to $18,221,451, as compared with $17,519,972 in the previous year, thus showing an increase of $701,459. A large decrease is shown in the exports of antimony, ceresine, hides and skins, incan-

descent salts, rags, rice, sugar, and tin, while the exports of bulbs and pips, dyewoods and extracts thereof, fertilizers, vegetable fiber, preserved fish and caviare, glue stock, rubber waste, manufactures of iron, palm-kernel oil, seeds, and wood pulp increased in several articles quite considerably.

The following statement shows the value of declared exports from the Hamburg consular district to the United States during the past three years:

Articles.	1905.	1906.	1907.
Antimony	$147,837	$422,558	$240,329
Cane ware and rattan	414,492	568,912	620,169
Cement	585,402	656,144	532,701
Ceresine, etc	627,550	832,927	595,218
Chemicals	555,722	906,106	1,302,544
Cocoa and cocoa butter	232,527	317,175	270,913
Cotton, and manufactures of	21,031	57,417	230,838
Fertilizers	3,897	120	143,226
Fibers, vegetable	66,695	138,598	226,632
Fish	58,063	52,686	137,360
Fruit and vegetables	74,290	57,854	55,552
Glue stock	32,691	51,632	130,092
Gutta-percha, crude and manufactured	158,703	133,385	113,372
Hides and skins	2,595,604	2,068,601	1,844,253
India rubber:			
Crude	2,627,039	2,864,840	2,840,767
Manufactured	285,368	332,333	292,499
Waste	149,333	184,759	518,377
Iron and steel manufactures	152,110	165,859	233,494
Jute	78,764	88,678	95,183
Metals, and manufactures of	304,804	293,977	269,391
Minerals	259,122	327,316	607,244
Oils	1,007,257	1,025,688	1,391,935
Ores	87,282	112,974	114,895
Paper stock, rags, etc	826,334	689,960	578,250
Paper, and manufactures of	220,476	303,730	379,257
Rice	179,902	458,589	390,304
Seeds	505,293	660,732	1,272,468
Sugar	1,121,754	1,284,908	14,842
Tin	390,560	920,237	520,610
Varnishes	29,408	125,369	115,621
Wood, pulp	77,707	137,163	765,028
All other articles	1,266,082	1,082,292	1,200,304
Total	15,143,099	17,323,519	18,043,668
Returned American goods	210,825	196,453	177,783
Grand total	15,353,924	17,519,972	18,221,451

HANOVER.

By CONSUL ROBERT J. THOMPSON.

The Hanover consular district includes a large portion of the old Kingdom of Hanover, parts of Westphalia, Braunschweig, and the principalities of Schaumburg-Lippe and Lippe-Detmold. The district lies in the central northwestern section of Germany. The area is about 5,500 square miles, or somewhat greater than that of the State of Connecticut. The chief cities in order of population are Hanover, Bielefeld, Linden, Hildesheim, Göttingen, Herford, Minden, Celle, and Detmold. Hanover and Linden may be considered as one city in all but municipal administration. They form, with their various suburbs, a center of population of nearly 400,000 people. During the past twenty years Hanover has developed rapidly in industries and in population.

The exports from the district to the United States in 1887 amounted to $626,116 in value, as against $1,098,788 in 1900 and $1,983,153 in 1907, an increase in twenty years of over 300 per cent. *While there was a falling off* in the exports of 1907 as compared with

those of 1906 of $256,789, the general increase is a fair expression of the advance made by Germany generally in her exports, not only to the United States but to practically all other markets of the world.

The decrease in exports last year was caused by the curtailing of American orders brought about by the money stringency, and was not especially noticeable in other quarters.

GROWTH IN RUBBER MANUFACTURES—CANARIES.

The manufacture of rubber in Hanover has grown during the past fifteen or twenty years to be a most important industry, upward of 20,000 persons being employed. The factories are exporting to all parts of the world, and in many cases are months behind in their orders. Wages of the workers are comparatively good for Germany. One large rubber factory here manufactures most of the silk rubber cloth for dirigible balloons. This company buys raw rubber in all the rubber markets of the world besides having its own plantations in Africa and South America. Owing to its growing automobile-tire business in the United States and the necessity of having its own repair shops there, it has established a subsidiary company in New York City. It pays into the custom-house at New York duties on single shipments of $5,000 to $10,000. Business for the first three quarters of the year in the rubber industries showed a considerable increase over 1906, but it fell off materially in the last quarter. The outlook for 1908, however, is good, and it is expected that the business will equal that of 1907.

Business in fertilizing material, such as potash, manure, salt, and kainit, was strong, more than $500,000 worth of these materials going to the United States. The chemical industries have been active and continue satisfactory.

Nearly 150,000 canary birds, principally Harz Mountain rollers, were exported to America from this district in the year 1907, the value being $136,785. The average wholesale price was 71 cents for males and 15 cents each for females. This business did not seem to be affected by the money stringency or hard times. It is estimated that about 250,000 birds are sent to the United States annually from Germany; and as the birds do not live long in America, there is a constant increase in the demand.

CLASSIFIED EXPORTS TO THE UNITED STATES.

The following is a list of the exports from the Hanover consular district to the United States during the year 1907:

Articles.	1907.	Articles.	1907.
Ammunition	$10,267	Linen goods	$12,063
Automobile tires	322,516	Machinery	15,222
Bands and labels, cigar	38,712	Manure salt	179,408
Birds, canaries	136,785	Meat products	25,783
Books, blank	28,405	Plants and bulbs	7,427
Bottles	34,912	Rags	42,219
Buttons	11,751	Rubber goods	138,880
Carbons	12,343	Toys, celluloid	17,459
Cement	69,189	Velvets	85,398
Chemicals	266,209	Wall paper	8,851
Colors, water	34,113	Wool	8,505
Ferro vanadium	9,310	Wool grease	27,137
Hides	13,790	All other articles	62,504
Instruments, scientific	6,188		
Kainit	418,731	Total	1,963,453

KEHL.

By CONSUL WILLIAM J. PIKE.

The Kehl consular district embraces the greater part of Alsace-Lorraine and the central portion of the State of Baden. Its area is approximately 4,700 square miles, or nearly four times the size of the State of Rhode Island. In the matter of population its importance can be more readily appreciated when stated that there are twenty-nine States in the United States each of which contains fewer inhabitants, there being about 2,000,000 in this district.

The year 1907, taking the industries as a whole, was better than the preceding year. In some branches of industry conditions did not improve, but nearly all the industrial concerns were taxed to their utmost capacity to carry out orders on hand, and many firms had more orders than they could fill. In consequence of this demand many factories enlarged their establishments.

The prices of raw and other materials appreciated unusually during the year until the first of October, when the high prices began to decline.

A condition which has been reported from nearly every branch of industry is the difficulty that has been experienced in adjusting the prices of the finished product to that of the ever appreciating prices of the raw materials. In some industries the adjustment has satisfactorily taken place, while in a greater number such has not been the case.

ADVANCE IN FOOD PRODUCTS—MONEY MARKET—TEXTILE TRADE.

Increased import duties may account for the higher prices of many commodities. Food products showed a general advance. Wages and salaries increased during the year, which did not prevent strikes in many branches of the trade, consequently the output of goods in the respective factories suffered greatly.

The money market toward the end of the year 1906 was in a bad condition. Large banking houses refused to lend money on mortgages for building purposes. Prominent banks loaned money for outside parties at 4.5 per cent to 5 per cent, charging 1.5 per cent to 2 per cent on the capital for commissions. On account of a large number of real estate mortgages on which the interest could not be paid, many of these had to be foreclosed.

The textile trade, in most of its branches, enjoyed a very prosperous year, many orders remaining unfilled. There was even a scarcity of goods in the German market, so that prices advanced. The same may be said of worsted yarns, manufactures of stockings and wool and wool mixed, the export of the last showing a small increase.

The hair nets, which are chiefly made and exported from Alsace, also advanced, those from this district being considered the best made in Germany.

The leather market continued to be satisfactory during the year. Skins and hides advanced considerably, which increased prices in leather. For many years leather goods had not shown such an increase in value. In Strassburg several meetings were held in which the leather manufacturers of Alsace-Lorraine discussed the fixing of prices in hides by syndicates. As a result of the new commercial

treaties with the neighboring countries a decrease in the export trade took place.

Within the last four years the rubber prices have advanced 50 per cent to 60 per cent, while the soft rubber, used in the manufacture of technical goods, also appreciated to quite an extent.

BUILDING OPERATIONS—CONDITION OF IRON INDUSTRY.

The latest figures available, covering the year, show that 31 public buildings and 232 private houses were erected in Strassburg, which reflects the poorest business in this line for twenty years. Only a few capitalists invested their money in real estate, and most of the building was done as a matter of speculation; in consequence of which many foreclosures took place.

The demand for raw iron was good; however, many difficulties prevented the business from assuming the desired proportions, due chiefly to the lack of labor and sufficient transportation facilities. The lack of labor was partly due to the undesirable character of the work, the laborers preferring to engage in other less hazardous occupations. Further, the Italian laborers, upon whom this district relies to a great extent, were unusually active in their accustomed propensity of moving about from place to place, so that during the summer months there were comparatively few Italian laborers to be had in Alsace-Lorraine.

Regardless of the fact that wages increased during the past year, this industry was affected by the organization of labor. To better this industry by procuring adequate transportation facilities, special efforts were made to improve the wharf of the canal at Metz, in order to expedite the sending of goods by navigation to France, Belgium, and Holland.

Since the raw material increased in price and was not very satisfactory, the various finished products in the iron industries were affected, although the price did not appreciate proportionally to the cost of the raw materials.

The steel industry, which is almost entirely dependent upon the demand for rails, can be called fairly good, most of the product remaining in Germany.

The various iron and steel foundaries also report that, owing to the increased cost of the raw material, it was difficult to maintain a satisfactory condition of business, although it was normal for the year.

MACHINERY, TOOLS, AND HARDWARE.

In the construction of machinery the condition was in general an improvement over that of the previous year, prices gradually increasing, owing to the higher wages paid laborers and the advance in the cost of the raw material. That the industry has been extended is indicated by the fact that the number of laborers was increased by more than 5 per cent, and the increase would have been greater had the laborers been obtainable.

The construction of locomotives and the machinery for making tools showed a prosperous condition. Five large locomotives were exported to Portugal and nine to Italy in 1906 from the works at Strassburg, otherwise little exportation. The export taxes, put into effect in 1906, tended to lessen the export trade.

A thrifty business is to be noted in the manufacture of tools, although at first the condition was not promising, owing to the inability to adjust the prices of the finished products to the great advance in the raw materials, which condition adjusted itself later. During the latter half of the year 1907 the prices in general appreciated 10 per cent to 12 per cent, with prospects for continued increases during 1908.

A good part of the raw materials, especially culm and coke, controlled by a syndicate of manufacturers, was not procured promptly and in sufficient quantities. The export trade was good, better prices being procured in the foreign markets than at home.

Carpenters, blacksmiths, and other individual laborers hesitated to make many purchases in tools and machinery, on account of the fear that electrical and other modern machines, requiring a large investment of capital, would prove disastrous for them. In this respect Alsace, and especially Strassburg, was different from the neighboring States of Baden and Wurttemberg and of Switzerland, where the individual workman was supported to a greater extent and conditions made him more prosperous. Notwithstanding the increased import duties of Switzerland, many tools were sent to that country.

The hardware industry showed a marked improvement, even though building operations were not active in this locality. This was more than made up for by the outside demand and the development of the foreign trade, although practically none of this class of goods was sent to the United States. Copper, brass, and zinc wares enjoyed a good trade.

COAL AND LUMBER INDUSTRY.

The condition of the coal business continued good, the demand being so strong that all orders could not be filled, which was largely brought about by a shortage in railway cars. The prices were an increase over the previous year, despite the fact that the production was extended in Germany and a great deal of importation took place from England and Belgium.

Lorraine occupies a prominent place as a coal-producing country. During 1906 2,115,363 tons were shipped from this district, which was an increase of about 12 per cent over the preceding year. The exact figures for the year 1907 have not yet been compiled, but estimates are made that the increase will prove to be even more than the preceding year. In 1906 9,775 men were employed in the coal mines, which number has now passed the 10,000 mark.

Not all the coal fields of Lorraine have as yet been worked. Several new companies have recently become interested in the prospects and borings are constantly being made. A great drawback is the scarcity of labor.

The past year was not especially favorable to the lumber industry. The high rate of interest, which made building operations difficult, caused the sawmills to suffer. Timber was so high in price that the mills found it no easy matter to saw it and sell at a good profit.

Compared to the difficulty experienced in procuring the timber to be sawed in the mills the dealers were better favored by disposing of whatever finished material they were able to procure. The prices went up somewhat, although the local demand was not good on

account of 1901 being a poor year for building, comparatively few improvements being made.

Since the year 1892, when France increased import duties on lumber, practically no exportation has been made to that country.

There was a good demand for pine lumber, and also for oak, despite the fact that Austria put a large quantity upon the market. The appreciating prices were also due to the increasing cost of the timber. The market in beech wood was satisfactory, and the lumber from the Vosges mountain district is becoming more in favor. The timber used in mining shafts did not have a good sale.

From the officials at the Kehl shipping wharf, where a good part of the business is done in lumber from the Netherlands, it was reported that the condition of business in this branch of industry was rather quiet.

The timber in America and in Sweden rose in price during the year, and the impossibility of being able to depend upon importations from across the ocean and the uncertain volume of the Rhine traffic caused the market in lumber to become very unsatisfactory. The retail prices of furniture were a little higher than usual, compared to the price of the lumber material.

RAILROAD CONSTRUCTION—NAVIGATION OF THE RHINE.

The past year shows good returns from the railroads of this consular district. Statistics indicate a profit of $7,[illegible]00, more than 4 per cent of all the capital invested.

The following new roads have been built during the past year: From Lahr to Oberehnheim, making direct connections from the Black Forest district to that of the Vosges Mountains; Diemeringen to Saarburg, the latter city being near the French border; Metz to Anzelingen; and from Metz to Chateau-Salins, which road runs parallel to the boundary line between France and Germany.

The navigation of the upper Rhine is of great importance to the commerce of this consular district, inasmuch as the industries of Alsace-Lorraine, especially the coal and iron industries, must depend to a great extent upon the transportation facilities furnished by that river. The press and public have awakened to the realization of the importance of making the Rhine as navigable as possible, and it may be but a few years before even Switzerland will be connected by an inland waterway with the North Sea ports.

Although the success of this undertaking is by no means assured, certain distances have been made navigable so that the completion of the undertaking is considered probable by means of modern engineering methods.

COST OF DEEPENING THE RHINE.

In the year 1901 an agreement was made among the states of Baden, Bavaria, and Alsace-Lorraine, which was approved by their respective legislative bodies, according to which the cost of deepening the Rhine between Strassburg and Mannheim, the entire cost being estimated at $3,213,000, was to be divided as follows: Bavaria to pay $190,400; Baden 40 per cent and Alsace-Lorraine 50 per cent; the city of Strassburg $238,000; and the Rhine Coal Company $166,600.

The stream must be so regulated that it will have a depth of at least 6.56 feet and a width of at least 288.71 feet. If this undertaking, which was begun last year, should be successful, the Rhine will be made navigable between Strassburg and Mannheim for a period of three hundred and fifty-three days of the year, instead of about one hundred and twenty-eight days.

One great obstacle to the success of this engineering feat is the amount of quicksand and sand bars which are washed into the channel of the river. It is thought that the completion of this work would require no less than fourteen years, and the final cost will amount to considerably more than the original estimate.

Freight boats can not go farther south than Strassburg, and special efforts are being made to deepen the channel between Strassburg and Basel, thus giving water facilities to Colmar and Muelhausen, two important manufacturing centers of upper Alsace, which are already reached by the Rhine-Rhone canal system.

The distance between Strassburg and Basel is 77.63 miles, which stretch was navigable only from the last of April to the second week in July during 1907.

The Rhine has a much larger stream of water during the summer months than in the winter time. The past summer the railroad bridge at Kehl on account of the high-water mark could not be passed by boats with a height of more than 11.5 feet above the water surface.

The landing place at Basel is to be enlarged, the one at Strassburg is now undergoing repairs, while the coal and iron industries of Metz will demand a better wharf at that point.

MARKET FOR AMERICAN GOODS.

In connection with the opportunity offered for the introduction of American products, there is an unworked and fruitful field in this territory, and success is assured provided the proper methods are used. The district contains a wealthy, prosperous, progressive people, entirely able to purchase any class of articles produced in the United States. There is no class of American goods which, in my judgment, is not superior to those foreign goods now used here, and it is simply a question of studying and conforming to the wants and customs of the market.

The following articles, if properly presented to the trade, would find a ready and profitable market: Agricultural implements, boots, shoes, rubbers, furniture, building materials, tools, canned goods, mens' furnishings, novelty articles, automobiles, cameras, typewriters, modern locks, and the thousand and one modern and up-to-date creations that are only produced and found in the United States.

The chief reason why the United States does not enjoy a larger part of the foreign market arises from the fact that the practical methods of competitors fail to be emulated. It can not be expected that catalogues printed in a language not understood can compete with a live representative who speaks the language of the country and is on the ground with samples. When the business interests in the United States, desirous of foreign trade, adopt the same methods they use at home, success, in my judgment, is assured.

EXPORTS TO THE UNITED STATES.

The value of the exports declared at Kehl to the United States during 1907 was $2,028,705, an increase of $432,111 and $399,974 over the two previous years. The articles were as follows:

Articles.	1905.	1906.	1907.
Bristles	$16,141	$3,027	$3,408
Chemicals	54,718	33,402	31,073
Flowers, artificial	241	2,413	3,557
Glass and glassware:			
Hollow	56,522	64,209	84,275
Watch	121,565	140,539	158,009
Window	15,242	10,733	19,325
Glue and gelatine	62,651	93,304	37,790
Goose liver pastry	31,557	33,108	33,732
Gum-metal goods	16,605	9,582	26,422
Hair nets	1,672	3,561	6,878
Hides and skins	650,442	512,291	751,190
Hops	7,853	2,693	4,651
Jewelry and cases	159,115	200,792	336,316
Leather goods	41,714	27,235	23,630
Paper goods	73,014	25,211	25,899
Plush	7,637	14,438	9,511
Pottery, porcelain, etc	30,464	21,660	10,440
Steel products	54,063	34,365	24,965
Tinware	4,456	6,272	11,154
Watch springs	3,188	5,343	5,122
Woolen goods, etc	162,721	292,898	375,866
All other articles	57,150	59,518	45,492
Total	1,628,731	1,596,594	2,028,705

LEIPZIG.

By CONSUL SOUTHARD P. WARNER.

The commercial and industrial conditions in this consular district in 1907 were, generally speaking, about the same as in 1906. Orders were plentiful; all industrial establishments were fully employed and in many cases it was necessary for manufacturers to enlarge their plants. This was especially true in the machine manufacturing trade.

A few industries reported unsatisfactory results for the year. The brewing industry, for instance, claims to have been seriously affected by the new tax upon its products and also by the high duty imposed upon barley. The building industry, and, naturally, all branches of trade affiliated with it, had an unsatisfactory year because of the scarcity of ready money and the consequently high rate of interest, which fluctuated between 8 per cent and 10 per cent on money for building purposes.

Although there was a marked decline in most branches of trade toward the end of the year, this decline was not due to unhealthy business conditions and there was no talk of a business crisis. On the contrary, many manufacturers welcomed a return to more normal business conditions after the exertions and the almost feverish activity of the past two years. The loss, which would otherwise have been caused by this general business decline, was, to a certain extent, offset by the fall in the prices of raw materials (especially metals), and by the fact that the rate of interest gradually sank.

PRICES OF RAW MATERIALS—MONEY MARKET AND WAGES.

The prices of nearly all raw materials were even higher during the first three quarters of 1907 than in 1906. Toward the end of the year, however, the prices declined materially. This decline caused heavy losses to a great many manufacturers who had large stocks of goods on hand, as they were obliged, in order to transact sales, to reduce the prices of their products, which had been manufactured when raw materials were at the highest prices. In a few branches of manufacturing it was possible to maintain the high prices even after the decline in the prices of raw materials.

As a result of the demand upon the money market which was created by the general activity in all lines of industry and in consequence of the financial disturbances in the United States, the German Bank raised the rate of discount to 7.5 per cent. The average rate of discount for the year was 6.03 per cent, as against 5.15 per cent in 1906, and 3.82 per cent in 1905. The high rate of discount prevented, as in 1906, many speculative undertakings on the part of the manufacturers. It also caused slow payments and an unusual demand for credit. Note extensions were very frequent.

Wages were raised during the year in a great many branches of trade, owing, in most cases, to the increased cost of all foodstuffs. The number of strikes during the year was unusually small. Common labor was plentiful, but complaints were heard from many sources regarding the scarcity of skilled workmen. This scarcity of skilled workmen was especially noticeable in the machine and iron industries.

TRADE WITH THE UNITED STATES.

The declared value of the exports from this consular district to the United States for the calendar year 1907 was $9,412,220, as against $9,888,872 in 1906, a decrease of $476,652.

The following statement shows the declared values of the exports from this consular district to the United States during the calendar years 1905, 1906, and 1907:

Articles.	1905.	1906.	1907.
Bleaching powder	$82,554	$72,106	$36,658
Books and periodicals	532,065	661,714	585,570
Boxes, fancy	12,260	14,805	20,346
Bristles	942,166	1,368,788	822,010
Chemicals	10,270	14,113	13,449
Chromolithographs	155,431	532,342	860,551
Cocoa butter	2,438	6,529	22,490
Colors	96,173	105,625	101,744
Drugs	31,867	36,776	52,812
Fruit juice	4,409	6,567	14,087
Furs and skins	5,923,128	5,658,526	5,460,877
Gloves, cotton	.....	1,993	13,447
Hides	83,206	31,764	63,801
India rubber goods	16,447	28,472	33,146
Lamps	772	3,767	28,296
Lithographic stones	1,073	4,051	9,025
Machinery	50,732	67,472	82,226
Magnesium	5,970	5,971	6,081
Medical preparations	26,838	36,995	33,396
Musical instruments	13,564	33,027	46,331
Oil, essential	186,460	175,083	225,376
Oil of roses	22,728	40,737	39,297
Oxalic acid	49,168	102,880	97,780
Paper goods	84,939	150,880	98,460
Pepto-mangan	83,953	90,388	90,408
Piano felt	89,536	92,410	72,842

Articles.	1905.	1906.	1907.
Potash:			
Carbonate	$71,041	$50,921	$39,116
Caustic	118,830	100,255	101,758
Potassium, cyanide	133,485	71,196	18,696
Printed music	81,740	83,604	85,730
Roots, bulbs, etc	16,619	20,297	22,938
Scientific instruments	9,148	13,320	14,770
Seeds	31,280	48,796	38,194
Toys	10,032	25,669	32,779
Wall paper	30,388	27,476	34,076
Woolen goods	10,277	12,625	13,089
Wool grease		1,004	12,216
Yarns	12,599	25,034	6,154
All other articles	174,703	64,894	62,198
Total	9,208,289	9,888,872	9,412,220

MAGDEBURG.

By CONSUL FRANK S. HANNAH.

The favorable business conditions prevailing during the year 1906 continued during the early months of the year 1907. However, during the summer and toward the close of the year, unfavorable conditions began to manifest themselves owing to the stringency in the money market. The rates of discount varied from 6 per cent in April to 7.5 per cent at the close of the year. This was caused by outside influence entirely and in particular by the financial crisis in the United States. It is remarkable with what comparative ease the market has withstood these trying times; and this has been made possible by the immediately preceding years of unprecedented prosperity.

Without treating the various branches of industry in detail, it is worthy of mention that the grain crop in this province was satisfactory and higher prices than usual prevailed, owing to the fact that the countries which supply the markets of the world with grain were disappointed in their harvests.

CONDITIONS OF THE SUGAR INDUSTRY.

The scarcity of coal on the German market still prevails and, while the prices have advanced, the dealers have not, it seems, benefited very much, owing to their inability to secure the coal.

The sugar refineries had, in striking contrast to most other branches of industry, a very trying year, conditions prevailing which have not been experienced for a long time. On the one hand, the expectations for the crop were far too high and, on the other, the market was affected by the deliberations concerning a new Brussels convention. By the terms agreed upon for this new convention by the different countries, Germany finds a competitor which is not to be underestimated. However, the prevailing opinion here is that Germany would have fared much worse if this convention had not been agreed upon. The exports of refined sugar were smaller than usual, while the export of raw sugar from this district to the United States, which in the year 1906, owing to the uncertainty prevailing in Cuba, reached nearly $2,000,000, ceased entirely.

The results of the formation of syndicates are beginning to make themselves felt here, not only in manufactures—for instance the sales agreement of the chicory factories—but also in transportation, as a

new combination, was formed by the shipping lines on the Elbe, which is to remain in effect for ten years. Commerce and industry of Magdeburg are so dependent upon the shipping facilities of the Elbe that such a combination is a matter of great moment, which may be easily appreciated when it is considered that nearly nine-tenths of the shipping of this district is carried by water craft, leaving comparatively little for the railroad.

For the year 1908 the prospects are not so promising as at the beginning of the year 1907. Even if the amount of trade does not decrease, an equally good profit can not be expected, as money is dear, wages have advanced, working material, coal, machinery, etc., is harder to secure, and the raw and half-finished products necessary in manufacture have enhanced in price. Orders are not so numerous and the scarcity of money has forced the banks to be very careful in extending credits.

WHAT THE UNITED STATES BUYS.

The total exports from the Magdeburg consular district to the United States for the calendar year 1907 amounted to $9,698,972, showing a decrease in comparison with 1906 of $1,915,672. This decrease is entirely due to the abnormal conditions in the sugar export, and does not in any way represent the actual condition of local trade. The following comparative statement shows the leading exports from Magdeburg to the United States during the years 1905, 1906, and 1907:

Articles.	1905.	1906.	1907.
Accordions	$2,097	$3,416	$6,291
Birds, living	39,958	40,048	37,686
Coffee	31,384	27,419	32,498
Copper	1,183,327	299,678	54,927
Earthenware	13,912	17,296	13,702
Fertilizer	53,163	223,950	347,731
Glove fabric	64,403	64,370	32,049
Gloves, leather	889,955	927,428	579,010
Ironware	10,577	24,758	44,022
Kainite	1,011,838	1,431,622	1,363,710
Kieserite	3,484	4,030	16,442
Machinery	144,821	123,315	95,676
Magnesium	19,484	30,343	28,955
Matting, cocoa	9,580	16,376	12,830
Oils and colors	37,832	17,531	16,835
Oil, fusel	45,022	60,748	8,308
Potash	3,621,790	3,790,381	3,700,487
Potassium	447,517	311,395	171,934
Potatoes	.....	7,105	13,014
Salts	672,952	835,348	657,786
Sauerkraut	4,086	9,512	14,178
Seeds, sugar-beet, etc	582,246	654,544	543,933
Spelter	.....	38,926	11,647
Sugar, raw and refined	26,674	1,788,466	24,606
Tin	117,015	226,109	104,295
Zinc dust	6,126	15,835	21,858
All other articles	659,729	624,695	445,833
Total	9,698,972	11,614,644	8,400,243

MANNHEIM.

By CONSUL SAMUEL H. SHANK.

Mannheim and Ludwigshafen are at the head of the navigation of the Rhine. While some shipments are sent on to Strassburg, it is necessary to reload into smaller boats, as the larger ones are unable to *go above* Mannheim. The exceptionally low water during the greater

part of 1907 materially reduced the shipments both from and to these ports.

The business generally for the year 1907 was not as good as the year 1906. The high rate of interest during the whole year had a restraining effect. The lowest rate for the year was 5 per cent, and it reached the highest known for several years, 8 per cent. This necessarily caused curtailment in many industries, and in some cases forced firms to assign. But considering the conditions, the failures were not numerous nor disastrous in results. In fact, one company which does business in all parts of Germany reports that while there were more assignments among its customers in 1907 than in 1906 its losses were not so great. Most lines of business complain that collections were very hard to make. A notable exception to this, however, is in the chemical manufacturing trade. The largest manufacturers of chemicals and colors located in this district report that the business for 1907 was exceptionally good and the collections never better.

BUSINESS OUTLOOK IN THE DISTRICT—LABOR CONDITIONS.

The textile, iron, and chemical industries were all busy during the year, but the increased cost of raw material and in some cases the reduction in prices did not return the profit of previous years. Almost all other branches showed a marked decrease as compared with the business of 1906.

In the face of these facts some of the American firms doing business in this district have shown substantial gains in their business. One implement concern says that their business increased 10 per cent over their 1906 returns, and for the first months of 1908 it showed an increase of 25 per cent over the same months of 1907. The sale of shoes and typewriters of American make also was encouraging.

The increased cost of living has not been compensated for by any increase in the wages. During the earlier part of the year there was a fair demand for labor, but the last half of the year found many idle. The exceptionally low water in the rivers enforced the suspension of much of the river traffic and many were thus thrown out of employment. Building operations were fairly active during the first half of the year, but during the last half, owing to the high rate of interest, they became quiet and many artisans were idle. A few new factories were erected last year, but are not yet in operation and so have not relieved the labor situation.

EXPORTS TO THE UNITED STATES.

The value of exports declared at Mannheim to the United States during 1907 was $5,066,772, a decrease of $274,249 and $277,876, respectively, from the two previous years.

The financial crisis in the United States was no doubt responsible for the decrease in the total amount shipped during the year. During the last two months of the year many orders from America were canceled and practically no new contracts made. The real effect, however, was not severely felt until the beginning of 1908. The shipments from this district for the first quarter of 1907 amounted to $1,346,587, while for the same period in 1908 they were but $947,508, a decrease of 30 per cent.

The leading articles exported to the United States during 1905, 1906, and 1907 were as follows:

Articles.	1905.	1906.	1907.
Antique glass	.....	$1,825	$2,933
Automobiles	.....	.....	15,280
Carpet wool	$15,777	11,680	9,459
Celluloid goods	32,296	45,598	56,633
Cement	41,538	167,908	123,278
Chemicals	791,597	1,017,102	955,491
Coffee aroma	8,443	8,944	13,804
Colors	1,323,454	1,662,373	1,740,342
Corks	26,020	24,731	28,564
Cuttings	416,229	364,607	374,407
Earthenware	15,540	16,571	7,917
Enameled ware	1,408	7,595	4,172
Filter pulp	8,351	22,209	12,412
Gelatin	41,222	61,966	66,258
Glue	32,434	37,314	32,204
Grindstones	2,514	5,155	5,459
Hardware	6,550	18,785	16,218
Hops	95,607	79,224	30,503
Instruments	28,258	26,942	13,573
Leather	499,596	461,018	422,462
Lye	.....	3,355	51,174
Machinery	1,096	37,470	27,348
Mineral water	2,360	5,549	5,237
Paintings	2,827	2,666	476
Paper	3,490	7,573	15,985
Paper hangings	3,432	9,117	3,842
Pencil sharpeners	1,101	739	2,827
Plate glass	17,311	25,346	16,551
Potatoes	14,509	3,610	3,082
Seeds	5,970	6,117	5,510
Skins	747,394	476,667	377,343
Steel beams	219,768	38,610	1,601
Waste	512,205	274,858	212,501
Wine	88,427	98,075	95,850
Wood pulp	301,332	280,664	297,827
All other articles	36,592	29,058	18,249
Total	5,344,648	5,341,021	5,066,772

The exports from the consular agency at Neustadt to the United States in 1907 were valued at $470,150; 1906, $284,777; and 1905, $307,881. The principal articles in 1907 were: Corks and cork paper, worth $284,659; paper, $38,380; wines and brandies, $74,071; gun stocks and blocks, $22,294; household goods, $7,700; machinery, $3,269; pumps, $2,262; papier-maché goods, $5,436; rabbit skins, $2,415; linoleum, $3,940; cotton yarn, $3,126; and jewelry, $2,992.

MUNICH.

By CONSUL-GENERAL THOMAS W. PETERS.

The past year saw an extraordinary increase in the price of all raw materials and a marked advance in wages, the latter being demanded and required by the advance in price of all food products, and, notwithstanding the prosperity, the bank discounts were very high. A special bureau was established for the promotion of commerce and industry and abundance of work was to be found for the working classes.

These favorable conditions continued during the first half of 1907, but toward the middle of the second half unfavorable symptoms appeared and the fourth quarter was a period of stagnation.

Bavaria is unfortunately situated for the development of commerce and industry, as it has no water communication with the seaboard, is poor in coal and iron deposits, depending almost entirely on north Germany and Bohemia for such supplies, and pays heavy charges for transportation. A society has been formed whose aim is to connect, through a system of canals, Bavaria with the Rhine and Danube, and thus open direct communication with the Atlantic seaboard and the Black Sea.

CONSUMPTION OF COAL—COTTON INDUSTRY.

The annual consumption of coal in the German Empire averaged in 1907 6,338 pounds per capita, while the average in Bavaria was only 2,171 pounds. Two-thirds of the iron and four-fifths of the coal used in Bavaria is imported.

In spite of these unfavorable conditions, 1907 was a most favorable year, caused in a great measure by an abundant harvest and increased exports, notwithstanding a shortage in coal, caused, in part, by inadequate railway facilities.

The cotton industry for the past year was most favorable—the best since 1870—particularly in Augsburg, which is the center of the cotton industry of Bavaria, where the declared dividends have been higher than for many years. Prices of raw materials and finished articles have ruled much higher. In one branch—the manufacture of thread—business was not so good, owing to English competition.

IRON TRADE—DAIRY BUSINESS—BANKING.

The reports from the iron trade are, on the whole, good, and also that of manufactures of electric appliances.

The milk and dairy business was not as good as in former years, as consumers would not purchase at the advanced prices demanded. An attempt was made to increase the price of bread owing to the advance in price of cereals, but it seems to have failed.

Glass painting, paper, artificial flowers, all have done a good business. The brewers, on the whole, have prospered, although the profits, owing to advanced cost of raw material, were not as large, notwithstanding that there was an advance in the price of beer.

The banking business, notwithstanding the fact that some good dividends were declared, notably by the Bavarian Mortgage and Exchange Bank of 20 per cent, was less satisfactory than the preceding year.

LABOR CONDITIONS.

The salaries paid in Munich per month for women in commercial business, for beginners, is $8.33 to $11.90, while the maximum is $47.60. The wages average about 50 per cent higher than the wages paid to women in factories. Women bookkeepers and cashiers receive from $19.04 to $23.80, while women sale clerks get from $14.28 to $16.66. The average wages paid to men clerks is $23.80 to $29.75, while commercial travelers average $35.70 to $47.60.

The official time is eight to nine hours; overtime is paid in factories, but not in banks, stores, or other commercial enterprises. In the building trades the hours are ten per day, while in bakeries they are

twelve to fourteen; machine shops, nine and one-half to nine and three-fourths; tailor shops, nine to ten, and barber shops, twelve and one-half to fourteen. Of 62,000 workmen 44,000 have special agreements with their employers.

A local law was introduced in Munich prohibiting commercial employees from working on Sundays and holidays except from 10 to 12 a. m. from January 1 to September 1.

AN EXCELLENT HARVEST—FARMERS' SOCIETIES.

The Bavarian harvest in 1907 was excellent, the cereal yield being the heaviest since 1899. The yield of wheat per hectare (2.47 acres) was 3,762 pounds; rye, 3,696; barley, 3,960, and oats, 3,564. The acres planted with cereals amounted to 60 per cent of the tilled area. Hops, one of the chief products of Bavaria, covered an area of about 60,690 acres, an increase of 2,038 acres over previous years. The total yield was 29,872,040 pounds, an increase of 2,373,800 pounds over 1906.

The price for cereals in Bavaria and throughout the German Empire was considerably higher than in the principal markets of the world, which has enriched the farming community, for they are more prosperous than they were a few years ago. There is a strong movement in the interest of the farmer, a special chamber of agriculture having been established to aid them, while their interests are protected by a number of societies with a large and growing membership. The Agricultural Society has a membership of 105,000; the Association of Christian Farmers, 126,000; Farmers' Union, 20,000, and the Society of Farmers, 18,000. The question of farm labor is serious. Notwithstanding an advance of from 10 to 25 per cent it is very difficult to secure a sufficient number of hands during harvest time, as then the demand is so great that they can almost make their own price.

At the close of 1907 the number of live stock in Bavaria was as follows: Horses, 389,929; cattle, 3,710,921; sheep, 729,527; swine, 2,078,907; goats, 304,307; geese, 919,956, and fowls, 9,371,000. The number of animals slaughtered in 1907 was 165,318 cattle, 160,805 sheep, 2,710,281 swine, and 153,585 goats.

There is a movement among the agricultural societies to do away with the stock broker, or middleman, so that the direct and increased profits will go to the farmer and stock raiser.

MINING—RAILROADS, TELEGRAPH, TELEPHONE, AND PARCEL POST.

There are no data regarding mining in Bavaria for the year 1907, but the statistics for 1906 are sufficient on which to base an estimate of about what the result would be. The mining products for 1906 amounted to $5,950,000. There is a lack of desire to enter into this field of industry, as under the law the Government may claim a percentage of the mines discovered by private persons or companies.

Railroads, except a few minor lines, are owned by the Government of Bavaria. Their length is about 4,348 miles. Taking the statistics of 1906, as those of 1907 are not available, the total receipts were $49,504,000, an increase of 6.6 per cent over 1905, while the expenses were $34,986,000, an increase of 6.1 per cent over 1905,

leaving a surplus of $14,518,000, an increase of 6 per cent over the previous year. The net profits were $1,332,800, or 68 per cent over 1905. Passenger traffic yielded $14,280,000.

The telegraph and telephone lines are also the property of the State. The receipts from telegraph, telephone, and parcel post amounted to $13,591,507, or 7.9 per cent more than the previous year.

MEAT CONSUMPTION—UTILIZATION OF WATER POWER.

The consumption of meat in Munich averaged 142.5 pounds per capita, an increase of 2.15 per cent over last year, although meat prices were very high.

There was $547,640 official expenditure among the poor of Munich. The percentage of poor permanently supported is 2.8 of the population.

A special committee has been appointed to examine the possibility of utilization of water power of the river Alz, by which it is supposed that 45,000 horsepower can be developed for electric purposes, while another proposition is to use the waters of Walchensee, a lake in the Bavarian mountains, from which 50,000 to 60,000 horsepower could be obtained.

Owing to higher prices in rents and all food articles and general expenses of living, the salaries of all Bavarian state officials have been increased.

AMERICAN TRADE WITH BAVARIA.

The statistics for import trade are given for the German Empire and not for any particular State, so it is impossible to form an accurate estimate of what amount Bavaria purchased.

Outside of raw materials, small tools, shoes, sewing machines, and fancy articles are sold to a certain extent; but the trade will not be increased unless a personal canvass is made by American firms, who will thus come in direct contact with the German purchaser. All firms who have followed this advice, so often and repeatedly given by consular officers, have done or have in prospect an excellent trade.

The labor prices in Germany are rising steadily, and although they may never reach those paid in the United States, they will result in a general increase in the cost of production, making the prices of the American article but very little higher than that of Germany. American firms who have secured their customers in Germany by direct representatives of their business will then have the best part of the business, although they may now be earning but small profits on their German trade.

The United States and Germany have no treaties regarding the rights and privileges of commercial travelers in their respective countries. Germany has such treaties with Austria, Italy, Switzerland, and France, under which the commercial travelers of the contracting nations are allowed, under certain regulations, to carry their samples from one country to the other without paying duties. This is not allowed to the American, and places him, in consequence, at a great disadvantage and causes him as well a pecuniary loss in payments of duties, unless he goes through a long form of examination and registration at each frontier, causing much delay.

CLASSIFICATION OF EXPORTS.

The exports from this consular district to the United States during 1907 showed an increase of $101,205 over 1906 and $528,690 over 1905. The principal items of export during the past three years are shown in the following table:

Articles.	1905.	1906.	1907.
Antiquities	$3,795	$7,965	$9,203
Beer	114,773	124,677	159,283
Books	5,382	47,920	47,043
Brushes	43,488	48,243	57,065
Candles	2,344	3,785	4,153
Carpets	3,519	484	1,965
Cheese		4,874	24,666
Chemical preparations	1,179	2,311	13,956
Chromos	83,801	99,817	185,588
Clocks	8,887	9,261	13,169
Copper, brass, and tin manufactures	10,581	5,446	14,562
Cotton and linen goods		5,146	19,850
Embroideries	9,451	10,956	13,296
Engravings	14,909	2,402	3,824
Flowers, artificial	18,888	18,478	31,265
Furniture	12,127	40,570	5,864
Glass windows, stained	37,669	49,663	53,188
Gloves, leather	202,136	326,243	215,334
Household goods	18,382	19,213	16,287
Machines	8,179	4,139	9,426
Matches		5,375	5,306
Metal paper	35,764	75,250	55,842
Paintings:			
In oil	135,658	192,818	155,423
On glass	11,836	17,979	33,305
Paper		4,387	15,135
Photographs	9,843	10,018	8,269
Prints, lithographic	15,175	57,401	127,893
Scientific apparatus	6,834	23,162	45,794
Skins	52,680	63,494	6,568
Statuary	9,610	18,042	9,744
Wall paper	4,562	5,665	2,652
All other articles	31,991	35,744	77,216
Total	913,443	1,340,928	1,442,133

NUREMBERG.

By CONSUL HEATON W. HARRIS.

The year 1907, until near its close, was one of activity in practically all branches of trade in this consular district. There are perhaps but few, if any, districts in Germany where export trade is better organized through commission houses. Forty years ago the district exported $1,500,000 worth to the United States annually. In 1907 the total was over $6,000,000. These exports include many staples widely manufactured in the United States. Chiefly through the long established commission houses in the district scores of small concerns are engaged in manufacturing for export. The dependence of the district upon this class of trade, and especially upon the American market, was shown by widespread complaint of diminished orders due to business conditions in the United States.

The increased cost of raw materials, higher wages, and cost of living have been the subject of frequent notice in consular reports from Germany. The effect in many lines is to narrow the difference between the cost of production here and in the United States. The result should be to stimulate American factories to still further im-

prove their machinery and diversify their products for a larger share in the foreign trade in manufactured articles. The testimony of many American buyers who go abroad for goods is that in many cases it is less a matter of price than one of quality that brings them to the European factory. It is these matters of detail, the diversifying of manufacturing to meet the requirements of American and other markets, which chiefly furnish the key to Germany's marvelous success as a foreign trader.

DEMAND FOR APPROVED APPLIANCES—METHODS OF SELLING.

The demand in this district for good machinery, tools, and appliances is one common to all manufacturing centers of Germany. The mower and harvester, steam thrasher, hayrake, hay tedder, potato digger, cream separator, portable steam and gasoline engine, steam plow, steam roller for road making, and other like machinery are rapidly crowding out hand processes. The same is true of modern office appliances, elevators, steam, hot water, and hot-air furnaces, etc. Great factories for electrical and other machine building, for the china ware, enamel ware, and textile industries, lithographic and other printing, beer brewing, ice making, toy making, lead pencil manufacture, etc., are customers for the best machinery and appliances to be found in their respective branches.

Not all American merchandise can be sold here. Much is at present excluded by the duty, freight, and selling charges added to the cost of production. In those lines where sales are possible there is need of the same intelligent and persistent effort required in the United States. The German manufacturer claims much for the quality and durability of his product. In the efforts of American manufacturers to meet prices in this market there should be no sacrifice of quality. The untimely breaking of a bolt on the first trial of a harvester, or the snapping of the guards or seat spring of a mower, may undo much of the work of an agent, however capable.

SALES TO THE UNITED STATES.

The exports declared at Nuremberg to the United States during 1907 amounted to $7,211,374 and consisted of the following articles:

Articles.	1907.	Articles.	1907.
Artificial hair and bristles	$48,179	Leonic ware	$153,162
Beer	161,828	Lithographic prints	263,843
Bronze powder	934,733	Lithographic stones	161,905
Brushware and hair pencils	151,623	Marbles	19,619
Cardboard articles	13,875	Metal:	
Decalcomania	163,537	Clippings	80,585
Drugs and herbs	22,260	Leaf	33,502
Electric carbons	129,798	Paper	74,095
Flour wafers	11,541	Other	6,283
Glass beads	7,253	Optical goods	20,866
Glass, plate	450,827	Porcelain	371,270
Gold leaf	24,975	Rubber balls	22,638
Hops	777,623	Soapstone gas tips	36,695
Instruments, drawing	183,318	Tin capsules	5,909
Iron and steel manufactures:		Tin and copper foil	9,665
Enameled ironware	100,257	Toys	2,309,805
Machinery	20,709	Woolen jackets	23,610
Needles	8,621	All other articles	82,550
Wire	37,953		
Lead pencils	286,433	Total	7,211,374

PLAUEN.

By Consul Carl Bailey Hurst.

The exports from this district to the United States showed a startling decrease during the calendar year 1907. The great industry of machine-made lace that has made Plauen famous and brought buyers from all over the world suffered a set back in its sales to the United States, that became apparent at the close of 1906. On the other hand, the domestic business in Germany was satisfactory to the local manufacturers and the exports to European countries, including Russia, with which an important trade was done, as well as increased sales to South America, compensated in a measure for the falling off of business with the United States.

The total of declared exports from this entire district, embracing the dress goods industries of Greiz and Reichenbach, the hosiery of Zeulenroda, the carpets of Oelsnitz, and the looms of Plauen, in addition to the great bulk of embroideries and laces of this city and immediate vicinity, amounted in 1907 to $4,479,021 in contrast with $5,502,500 for the preceding year, while the exports for 1905 were $4,955,576, a decrease of $1,023,479 compared with 1906, and $476,555 compared with 1905. The decrease of over $1,000,000 in 1907 was felt in the industrial activity of this region. Although the great difference is found chiefly in the lessened export of machine-made laces, there is, nevertheless, scarcely a branch in the various ramifications of manufacture in this district in which the effects of the diminished exports to the United States have not been noticed to some degree.

VARIATION IN EXPORTS.

In considering separately the different classes of merchandise wholly made to order for the United States, cotton laces and embroidered articles take the leading place in exports in 1907, to the amount of $3,329,783, while $4,222,264 worth was exported in 1906, or some $200,000 more than in 1905. This serious decline during 1907 in one line finds its explanation in the overbuying of the previous season, shifting of styles and later unfavorable financial outlook.

Silk laces were exported to the amount of $159,015 in comparison with $339,032 during the previous year, and $174,025 in 1905. Artificial silk laces to the amount of $84,013 were exported in 1907, in comparison with $29,056 in 1906, and $13,548 in 1905, and linen laces and embroidered articles to the amount of $29,992 in 1907, $23,295 in 1906, and $31,621 in 1905.

The total value of all laces and embroidered articles declared for export at this consulate during 1907 amounted to $3,604,156 in comparison with $4,616,228 worth during 1906, and $4,243,900 in 1905. Each quarter of the year 1907 took its part in the decrease, the March and December quarters being the most pronounced. A drop of $500,000 manifested itself in the March quarter and some $300,000 less in the last three months of the year.

SHIPMENT OF TEXTILES, HOSIERY, AND GLOVES.

The weaving mills in towns on the confines of this district have long contributed to the exports to the United States, and still keep to the front on account of the excellence of their light-weight woolen

cloths. The henriettas, voiles, etamines, zibelines, cashmeres and ladies' broadcloths have all been largely bought, the total value for 1907 being $493,448, in comparison with $556,892, during the previous year, which was an increase of about $191,000 over 1905. The first three quarters of 1907 showed a steady falling off in nearly all grades of these cloths, and it was only during the last quarter of the year that there was an increase over the corresponding period of 1906. Next to machine-made laces, woolen dress goods come in importance, although the value of the shipments in no way approximates the costlier consignments of Plauen laces and embroideries.

The development of the lace industry in Plauen has had an effect on the export of embroidery looms made in this city. More looms are shipped to the United States each year, the value of which, in 1907, amounted to $128,743, an increase over similar exports in 1906 of more than $47,000, the largest of the few gains in any line of export from this district during 1907, but a decrease of over $30,000 in the amount exported in 1905. Fourth in importance is hosiery, which has, however, fallen in the value of exports during the past three years, the amount in 1907 being $77,729 in 1906, $99,811, and in 1905, $108,910. Cotton hosiery comprises by far the larger figure in the exports in this line.

A word of explanation is necessary in relation to the item of leather gloves, which, during 1907, amounted to the sum of $37,724, in marked contrast with the $7,522 worth exported during the previous year, and $1,129 in 1905. These gloves, for the most part ladies' kid gloves, do not originate in this district. The business has lately been taken up for the American market by Plauen firms and hence the sudden advance in the export figures, which have not been heretofore conspicuous in this line. The goods are all sent to Plauen, as evidenced by bills of lading and personal inspection. The gloves are carefully sorted here and thousands of pairs are returned after examination, because of not being up to the standard.

CARPETS, CURTAINS, SHAWLS, AND TRIMMINGS.

The export of carpets and covers is a rather interesting phenomenon among articles from this district. It is stated that these goods, nearly all shipped on consignment, are sold with either a minimum profit or absolutely none at all. The manufacturers have for many years consigned goods to the United States, and before the raising of the tariff had done an extensive and remunerative business. In the hope that this business will again resume something like its former dimensions the trade is still kept up, in order to hold a place on the American market, which, when once lost, would be difficult to regain. The value of carpets and covers shipped in 1907 was $35,682, in comparison with $42,577 in 1906, which was double the sum in 1905.

In all cases the largest shipments were made during the September quarters. Cotton stuffs, chiefly piece congress goods, showed a gain over the two previous years. The lace curtains shipped from this district are principally the so-called Brussels curtains, generally in cheaper grades. The export in 1907 was some $6,000 less than during the year before.

The trade in cheap cotton shawls in light colors and fancy patterns is gradually growing, the places of destination being in the Philippines. In 1907 there were $14,268 worth exported, in comparison with $12,290 during the previous year and $4,904 in 1905. On the other hand, woolen shawls, which were formerly exported in larger quantities from this district, notably in 1905, when $18,201 worth were shipped, fell, owing to change in styles, to $6,777 in 1906 and $6,519 in 1907. The trade in trimmings and gimps has developed in a small way since 1905, when the export amounted to $1,492, to $5,523 in 1907.

AMERICA'S PURCHASES DECREASED.

A comparative statement of all exports to the United States during the calendar years 1905, 1906, and 1907 from this consular district, exclusive of the agency at Markneukirchen, is herewith given:

Articles.	1905.	1906.	1907.
Carpets, covers, and rugs	$21,256	$42,577	$35,682
Cotton stuffs	24,036	30,305	32,455
Dress goods:			
Cotton	2,984	4,312	8,135
Silk	.....	542	1,622
Woolen	365,461	556,892	493,448
Other	.....	335	.....
Gloves:			
Knit or woven	581	2,554	197
Leather	1,129	7,522	37,724
Hosiery:			
Cotton	98,691	91,417	74,091
Woolen	10,219	8,394	3,638
Household effects	13,143	3,300	389
Lace curtains	22,801	24,538	18,746
Laces and embroidered articles:			
Cotton	4,024,326	4,222,264	3,329,783
Linen	31,621	23,295	29,992
Silk	174,025	339,032	159,015
Machinery	111,122	81,075	128,743
Paper goods	.....	2,367	3,847
Shawls:			
Cotton	4,904	12,290	14,268
Woolen	18,201	6,777	6,519
Silk, artificial	13,548	29,056	84,013
Trimmings and gimps	1,492	3,324	5,523
All other articles	16,036	10,332	11,191
Total	4,955,576	5,502,500	4,479,021

INCREASED PURCHASES FROM THE UNITED STATES.

While statistics can not be exactly compiled showing the imports from foreign countries into this consular district, indications point to a general increase in the consumption of American products. The import of wheat and corn in particular was greatly in excess of the amount in 1906. Although the import of American wheat surpassed that of the previous year, it did not equal the quantity of this cereal brought into Germany from Argentina, but there was a slight falling off in the import of corn from the latter country and an increase in this staple from the United States. Bale cotton and linters were more largely drawn from the United States.

There was an increase in the cotton-seed import from the United States and other countries, the greatest amount, however, coming from Egypt. Cotton-seed oil was bought in larger quantity from the United States than any other country, the import of which increased

nearly 75 per cent, while there was a corresponding advance in the consumption of American oil-cake and meal.

American apples were found on the local market more than in 1906, and the import in dried apples was at least double that of the previous year. More American lumber was used, particularly pine, fir, walnut, beech, and oak. Lard and margarine found their way in greater quantities into this neighborhood, and there was a great increase in the amount of American kerosene purchased.

Agricultural machinery, typewriters, machine and hand tools figured higher than the previous year. While it is possible merely to indicate the increases during 1907 of American imports in this consular district, nevertheless a really sanguine view may be taken of our commercial position in this part of Saxony. Aside from the raw products, American goods are looked upon as fine high-class wares, and the chief need now is an increased number of American agencies in suitable centers in this country.

SEEKING FOREIGN MARKETS.

In this connection it may be well to mention that industrial Saxony is exerting every effort to find markets abroad. Official commercial experts, returning from travel or residence in foreign countries, not only give, in written reports to the Government, the information gathered, but also impart it orally to those interested. An illustration in point is that of an official returned recently from South Africa who has visited, in behalf of the Government, certain important German cities. He remained a couple of days at a chamber of commerce and answered questions of local exporters and manufacturers on all subjects appertaining to the foreign export field which he has made his especial study. There is no doubt but that such a course is eminently helpful.

Recently the syndic of the local chamber of commerce made a protracted tour in Asia Minor, and the results of his technical investigations, in particular relation to textiles, have been of great advantage to the industries of Plauen and the neighboring manufacturing district. This gentleman has not only reported in writing minutely of his studies, but has given a number of able lectures showing by stereopticon views, what is highly interesting to Plauen, specimens of laces and embroideries of various kinds of workmanship gathered with great difficulty in the hamlets and towns of Asia Minor. Such practical assistance is bound to have a stimulating influence on the great lace industry of this city where the manufacturers are constantly looking for new effects to put into the patterns of their machine-made laces.

It is not only by letter and by official report that everything can be accomplished to start and develop export trade. It is also the personal contact that imparts something of vigor and enthusiasm to export enterprise. Especial attention is being given to Saxon exports to Central and South America. Energetic travelers are traversing Latin America in the interest of Saxon commerce. The competition of Japan on the same ground is being mentioned here with increasing insistence, and the intention is expressed to redouble efforts to hold the southern territory with which trade relations have already been strongly established.

RESTRICTED MANUFACTURING OPERATIONS.

In spite of smaller shipments to the United States from this district in 1907 there was a certain activity during the first half of the year in all branches of the local machine-made lace industry, but which later weakened by reason of the higher bank rate. During the last three months the demand for gold in New York caused a scarcity of money in Plauen that restricted manufacturing operations and had direct influence on the export from this place.

The lace and embroidery firms would be still more alarmed at the present prospect were it not that experience has shown that depressions in their industry are not of long duration. The efforts to find new paying markets in place of those not buying for the time being are known here to lead to a revival of business. On the local banks the financial crisis had no disastrous effects, because deposits withdrawn were counterbalanced by an increased bank rate.

Labor conditions during the year were fairly satisfactory. Most of the lace factories kept busy up to the 1st of July and from then, during the second half of the year, there was a gradual falling off, many of the looms were idle, and the hours of labor shortened. First-class workmen generally found employment, and, although the stitch rate was repeatedly reduced in a number of instances, the pay rolls remained unrelieved, for the reason that the operatives not paid by time increased the output of their piecework to get the customary amount of wages.

TRADE OF MARKNEUKIRCHEN.

During the continuance of unfavorable conditions in exports to the United States from the Plauen district, the shipments declared at the Markneukirchen agency, subordinate to the Plauen consulate, gradually increased. The sales from Markneukirchen and the vicinity are almost entirely composed of musical instruments and supplies. It is, in fact, the center of the German musical instrument trade and its products have always been regularly bought by purchasers in the United States. While there are changes in fashion affecting the lace and cloth industries of the Plauen district, the manufacture of musical instruments in Markneukirchen and neighborhood seems to be undisturbed. The total value of goods declared for export at the agency in 1907 amounted to $877,916, against $772,835 in 1906, and $693,522 in 1905.

SHIPMENTS OF ACCORDIONS, CONCERTINAS, AND VIOLINS.

Of the three lines that occupied during the year 1907 almost equally prominent places, accordions and concertinas were shipped to the United States to the value of $187,774, an increase of over $25,000 more than in 1906, and nearly $70,000 greater than in 1905. Harmonicas, in all styles and gradations of prices, were next exported to the amount of $184,056, a trifle more than during the preceding year and over $30,000 more than in 1905. The violins and violincellos of Markneukirchen are familiar articles of trade. Their purchase to the amount of $183,300 in the United States during 1907 brought them third in order of importance among the exports, an advance of some $20,000 over 1906. This increase was due, in a meas-

ure, to the establishment in the district of a factory under American management making a new variety of violin, which has been commended by musicians and dealers. The declared value of bows exported in 1907 reached the high figure of $91,842. There has been a rise during the past few years in the export of bows, but the increase of $23,000 over the preceeding year was the most marked gain in any line from Markneukirchen during 1907. The manufacture of strings, long an important industry here, has shown further development in relation to the American market, from $72,586 worth shipped in 1906 to $80,033 worth in 1907.

WOOD WIND AND BRASS INSTRUMENTS—SHELLS, ETC.

From the five classes just mentioned there is a decided difference in the list of exported articles from the class next in rank, which comprises wood-wind instruments, shipped to the value of $26,907 in 1907, an increase of over $5,000 in comparison with 1906. Brass instruments worth $23,075 were sent to the United States in 1907, an advance of almost $6,000 over the previous year. Various fittings for musical instruments were purchased to the value of $21,842, in comparison with $12,923 in 1905, and $17,165 in 1906.

Shell goods, or fancy articles made up in mother-of-pearl and the like, were shipped to the value of $19,493, an increase of $5,646 over 1906, and nearly $9,000 over 1905. The export of double basses has been practically the same during the past three years, $6,572 worth being exported in 1907. The item of surgical catgut, although still of small dimensions, is rapidly increasing, nearly $6,000 worth being invoiced in 1907, compared with $4,225 in 1906, and $2,409 in 1905. It may be taken for certain that many small shipments of this article less than $100 in value have been sent unaccompanied by consular invoice certificate and, accordingly, do not appear in the official statistics.

CLASSIFICATION OF EXPORTS.

The following table gives in detail the declared value of the various articles exported to the United States from Markneukirchen and the immediate vicinity during the past three years:

Articles.	1905.	1906.	1907.
Accordions and concertinas	$118,995	$162,137	$187,774
Bows	65,096	68,816	91,842
Bow hair	4,620	4,442	2,278
Brass instruments	19,258	17,079	23,075
Cases for violins, etc	3,753	1,877	2,189
Covers and carpets	.....	179	7,233
Double basses	6,486	5,984	6,572
Fittings	12,923	17,165	21,842
Harmonicas	152,288	182,752	184,056
Motor horns	14,293	3,381	777
Pitch pipes and tuning hammers	1,973	2,993	607
Rosin	2,669	4,379	1,897
Shell goods	10,868	13,847	19,493
Spinning gut	3,036	6,237	4,576
Strings	74,948	72,586	80,033
Surgical catgut	2,409	4,225	6,925
Violins and violoncellos	164,226	162,882	183,300
Wood-wind instruments	1,461	1,813	3,008
All other articles	34,220	40,061	51,439
Total	693,522	772,835	877,916

STETTIN.

By Consul John E. Kehl.

The summer of 1907 marked the receding point of the commercial and industrial revival that set in after the depression of 1900–1901. An exceedingly tight money market with a record discount rate of 7.5 per cent, high prices for raw and semiraw materials, a decline in the foreign demand for German industrials, and a very cautious home market are the elements that presented themselves during the year in review as the forerunners of a commercial and industrial decline, not only for this consular district, but for the whole of Germany. Another element that industry must contend with is the increased cost of practically all agricultural and stock products, brought about by the increased German import duty on all kinds of grain. With the increased cost of living came the natural demand for an increase in wages, which was granted in many instances.

Local industry was fairly well engaged during the past year, but did not work with the same percentage of profit as it did during 1905 or 1906. Cement factories, sewing machine and motor wagon works were well engaged; the local shipbuilding yards had and have sufficient old contracts to keep them going up to the close of 1908; very few new contracts are being placed. The grain milling industry experienced another poor year, one of the largest mills in Stettin, in operation since 1858, passed into the hands of a receiver. The building industry has been at a standstill since 1905. Dealers in foreign feeds, seeds, herring, and timber had a good year; grain dealers were very much dissatisfied.

THE FOREIGN TRADE.

The imports into Stettin during 1907 amounted to 3,602,837 metric tons, against 3,099,333 tons in 1906 and 3,006,788 tons in 1905. The exports from Stettin during the same years amounted to 1,037,159, 1,087,642, and 833,275 tons, respectively.

The tonnage of the imports and exports from and to the leading countries during the past two years was as follows:

Countries.	Imports.		Exports.	
	1906.	1907.	1906.	1907.
	Metric tons.	*Metric tons.*	*Metric tons.*	*Metric tons.*
United States	291,188	217,053	62,721	16,408
Belgium	38,421	58,542	5,408	1,739
Brazil	10,760	12,208	732	176
Denmark	41,917	50,717	57,412	68,483
Finland	21,924	10,819	48,337	59,202
France	36,783	34,683	2,452	515
Italy	5,820	22,220	3,992	814
Netherlands	27,500	22,197	31,109	27,132
Norway	217,747	64,881	50,172	55,198
Portugal	16,891	19,260	179	362
Russia	171,243	242,836	68,642	81,175
Spain	200,515	201,392	5,098	1,059
Sweden	643,957	707,558	103,268	87,680
United Kingdom	893,216	1,422,353	223,443	224,425

The principal articles of import in 1907 were as follows, quantities being given in tons: Arsenical pyrites, 56,832; bran, etc., 110,451; coal, 11,400 corn, 32,963; barley, 9,258; wheat, 3,968; oats, 4,880; wheat

flour, 8,756; salted herring, 101,538; iron ore, 576,352; lumber, 205,331; lard, 22,320; machinery, 6,384; oil cake, etc., 41,859; petroleum, 73,418; and phosphate of lime, 143,353.

The leading articles of export in 1907, in tons, were as follows: Cement, 123,273; rye flour, 61,972; oats, 24,020; rye, 32,962; barley, 4,859; glucose, 22,377; sugar, 232,520; potatoes, 15,716; potato starch, 39,816; paper and paper goods, 31,076; salted herring, 11,332; lard, 3,833; malt, 11,828; superphosphate, 32,230; wood and lumber, 23,923; and zinc and zinc wares, 36,716.

TRADE WITH THE UNITED STATES.

The leading items of import into Stettin from the United States in 1907 (in metric tons) were: Barley, 167; bran, etc., 33,386; corn, 6,894; wheat, 482; lard, 21,837; oleomargarine, 265; dried fruit, 1,054; oil cake, 15,813; petroleum, 73,238; mineral oil, 1,384; turpentine, etc., 2,878; cotton-seed oil, 2,060; machinery, 3,068; phosphate of lime, 42,753; and seeds, 1,061.

The value of the exports from Stettin to the United States during the past three years is shown in the following statement:

Articles.	1905.	1906.	1907.
Amber goods	$7,253	$6,290	$9,060
Cement	19,810	62,840	9,885
Colors	11,743	8,241	5,922
Dextrin	16,127	21,389	12,786
Drugs	6,304	12,605	2,650
Earthenware	3,419	3,654	942
Fire-clay goods	42,955	2,421	6,656
Goose meats	3,985	6,653	3,700
Herrings	11,891	8,911	10,544
Metals	48,665	45,353	.....
Potato flour	6,973	22,702	17,323
Seeds	14,670	17,329	21,098
Sugar, raw	.....	1,987,191	.....
Wood pulp	2,834	.....	12,310
All other articles	106,008	95,307	18,771
Total	302,637	2,360,886	132,246

EXPORTS FROM THE AGENCIES.

The declared values of exports from the Konigsberg agency to the United States for the past three years were $759,837, $957,752, and $1,182,830, respectively. The principal articles of export in 1907 were: Amber and ambroid, valued at $194,178; seeds, $476,729; wood pulp, $249,737; flax and tow, $59,455; calfskins, $85,105; glue stock, $22,772, and hemp and hemp tow, $47,308. The exports from the Danzig agency to the United States in 1905 amounted to $54,392; in 1906, $1,447,902, of which $1,400,578 was sugar, and in 1907, $24,511. The leading articles in 1907 were: Matches, worth $8,458; clover seed, $3,405; books, $3,191, and turpentine, $2,102.

STUTTGART.

By Consul Edward Higgins.

Business was exceptionally active a
during the first nine months of the
facturer enlarged his plant and incr

demand for skilled workingmen exceeded the supply. There was a decided increase in both domestic and export business. A sharp advance in the price of raw materials, an increase of wages due to increased cost of living, the establishment of many new factories and the enlargement of old plants, leading to overproduction and extremely sharp competition for business, the financial flurry in the United States, all combined to radically change the industrial situation. Many firms failed and many factories were closed, and thousands of employees were idle.

The principal industries of this kingdom are the manufacture of mouth harmonicas, jewelry, surgical instruments, motor cars, tools, machinery, clocks, furniture, toys, chemical products, colors, chicory, paper, leather, pianos, woolen and cotton goods, and corsets.

BUSINESS OUTLOOK FOR AUTOS, MAGNETOS, AND CYCLES.

A well-known automobile company located in this district reported that they did a good business in the first half of 1907, but in the second half there was a decided falling off, especially in the last quarter, when money became scarce. Many small concerns went out of business and the larger ones curtailed their output.

There are two large manufacturers of magnetos in this city. They make magnetos for automobiles, motor cycles, and stationary motors. Both firms are doing an extensive business, their principal markets being the United States, France, England, Belgium, and Switzerland. Up to August business was very lively and to fill all orders they had to work overtime and to enlarge their plants. But after August there was a decided decrease in the volume of business and about one-half of the employees had to be discharged. On account of dullness in this line of business there was extensive price cutting, and the manufacturers report that for this reason profits were very small.

A large concern is engaged in the manufacture of bicycles and motor cycles in Wurttemberg. It began also the manufacture of automobiles about a year ago, and the business was so good that a separate factory is to be built for their manufacture. It reports also a large increase in the motor cycle business. There was a decrease of exports to Italy, Austria, etc. The total export business of this firm was larger, however, than in previous years, as new foreign markets were found for their products. This concern has agencies in every important city, a branch house in England, and last fall established one in New York City. They had to increase the working force and employ about 1,000 men.

SALES OF MUSICAL INSTRUMENTS.

The chief musical instrument exported from Wurttemberg is the mouth harmonica, which is sold in greater quantities in the United States than in any other country.

There are four large factories at Trossingen in the Black Forest, each one having from 10 to 20 branches in the small villages in the neighborhood. The harmonica industry of Trossingen was founded fifty years ago by Matthias Hohner. The past year was a record

one in the mouth harmonica industry. Business in the domestic market was very active, and export business was better than ever. At the beginning of 1907 prices for raw materials like brass, etc., were very high, and prices for these musical instruments were advanced about 10 per cent. Nearly every concern engaged in the manufacture of mouth harmonicas had to enlarge its plant and to increase its working force last year. In the last quarter of 1907 there was a decrease in exports to the United States and South America. Business with South Africa, Russia, and China was slow on account of commercial depressions in those countries. There were no strikes in this line of business, as all manufacturers advanced the wages of their employees in the spring of 1907. Some manufacturers of mouth harmonicas have taken up the manufacturing of accordions, and are doing a steadily increasing business in the domestic as well as foreign markets in this article.

IMPORTANCE OF THE CLOCK AND TOY INDUSTRIES.

One of the leading industries of Wurttemberg is the manufacture of clocks, and the well-known Black Forest clocks are shipped to every part of the globe. There are more than 50 large manufacturers of clocks in this district. Nearly all did a very prosperous business during the first nine months of 1907. The price cutting which was in vogue in former years was stopped through a combination of leading manufacturers to regulate prices. Business in the domestic market was very active. Exports to Asia and Russia decreased; also to France, on account of sharp competition in the latter country. Business with the United States was very active until last fall.

There are many manufacturers of cloth, plush, and metal toys in this district, who have built up a remarkable export business during the past six years. One very large concern manufacturing cloth and plush toys, and making a specialty of "teddy bears" and other stuffed toy animals, employs at present about 3,000 hands. There is a steadily increasing demand in foreign markets for this class of toys.

SURGICAL INSTRUMENTS—TOOLS AND MACHINERY.

Several large factories of surgical instruments are located in Wurttemberg. The largest one is in the Black Forest and manufactures about 25,000 different instruments for human and animal surgery.

Business was very good last year, and most factories had to be enlarged and the working force increased. Prices for raw materials were very high, and wages had to be increased. In most instances it was impossible to raise the prices of instruments, as many small manufacturers were selling their goods at very low prices and other concerns located outside of Wurttemberg were flooding the market with cheap imitations.

A large export business is done in tools and machinery. The demand was very lively during the greater part of the year in the domestic market, and export business increased. Manufacturers were not able to fill all orders during the first half of 1907.

There is a good market in this district for American tools, also for American wood-working and other machines.

AMERICAN SHOES—COFFEE SUBSTITUTES.

There has never been a serious attempt on the part of American manufacturers to sell shoes in this district. A few stores have American shoes in stock, and their style is much admired. The manufacturers of corsets in Wurttemberg complained of poor business in 1907. The outlook in this line of business is not encouraging.

There are several large chicory factories in this district, the leading one having branch factories in Italy, Austria, and the United States. Business last year was not satisfactory. There appears to be enormous overproduction in this line; competition is keen, and each firm spends a large amount for advertising. The trade in coffee substitutes is also very large. All the chicory factories located in this district have taken up the manufacturing of coffee substitutes. The largest firm does no export business to the United States, but has its own factory in America and only ships the labels from this country.

EXTENSIVE EXPORT BUSINESS IN HOPS.

Hops are raised on a large scale in Wurttemberg, and an extensive export business is done in this article. The hop crop in Wurttemberg amounted to about 57,000 hundredweight in 1907 and to about 47,000 hundredweight in 1906. It was a good average crop, and as the Wurttemberg hops are well liked by domestic and foreign dealers the crop was readily sold. The quality of last year's hops was satisfactory, although some of it was harvested during rainy weather.

The price for hops was very low, as the total German crop of 1907 amounted to about 218,000 hundredweight against 190,000 hundredweight in 1906, which was a good medium crop. Bohemia also had a good crop. England had a poor crop, but the English dealers and brewers had large stocks of 1906 hops on hand. For these reasons prices were very low. The price for Wurttemberg hops was, during the season, from $12 to $16.50 per 110 pounds for medium to prime, uncured, at the place of production. Bohemian hops are preferred by American and German brewers for their fine bottled beers. About one-fifth of the declared export of hops from this district is Bohemian, bought by exporters here and shipped to the United States.

TRADE WITH THE UNITED STATES.

Statistics as to imports into Wurttemberg are not collected. Very few merchants buy goods directly from the American manufacturers and merchants. The large importing and commission houses in Berlin, Hamburg, Frankfort, and Bremen have direct connections with the American manufacturers and distribute the imports from the United States throughout Germany. There is a good market in this district for American shoes, tools, machines, fancy cotton goods, cut glassware, dried fruit, lumber, pearl buttons, etc. It would be of great advantage if prices were quoted in German currency, freight and duty paid. American manufacturers must be prepared to give from three to six months' time or a liberal cash discount.

The following table gives a list of the principal articles, with the value of each, exported from this district to the United States during the last three calendar years.

Articles.	1905.	1906.	1907.
Books	$3,219	$14,181	$14,183
Chinaware	.....	15,589	7,833
Clocks	36,791	103,711	142,635
Colors	69,599	96,730	150,306
Corsets	21,848	18,273	15,843
Cotton goods	7,997	6,342	.....
Cotton waste	248,992	195,466	156,930
Drugs and chemicals	120,877	74,559	48,531
Dry beef stock and hair	155,565	85,329	161,343
Feathers	6,964	.....	16,730
Gelatin	.....	18,945	45,738
Gloves, kid	.....	63,541	41,981
Hops	255,121	272,714	275,493
Leather	41,964	34,902	32,662
Machinery and tools	86,293	160,967	138,941
Magnetos	.....	.....	198,941
Motor cars and parts	364,272	391,895	374,232
Mouth harmonicas and accordions	293,644	311,130	337,317
Needles	10,053	9,007	15,132
Oil, sod	.....	26,050	23,036
Paper	7,873	.....	11,660
Pumice stone	12,713	10,881	11,687
Sausage casings	.....	7,300	12,115
Scales, weights, etc	9,020	9,358	4,307
Silver and plated ware	47,278	56,869	50,126
Surgical instruments	61,676	83,628	85,642
Toys	60,192	125,810	287,352
Watchmen's detectors	28,319	35,551	19,277
Wire cloth	600	11,153	4,652
Wooden ware	11,636	6,980	8,983
Woolen and mixed underwear	147,712	211,659	197,881
All other articles	24,992	37,646	46,979
Total	2,135,230	2,496,166	2,938,468

WEIMAR.

By Consul Will L. Lowrie.

Reports from various manufacturers located in the consular district of Weimar indicate a generally prosperous year. They complained of the high cost of raw material, the rapid increase in employees' wages, and difficulty in securing sufficient help. Despite these factors and the depressing effect of unfavorable conditions in America at the close of the year, the factories enjoyed a prosperous season. Wherever possible, the selling prices were adjusted to meet the higher cost of production. The combination of china makers, which includes all the important porcelain manufacturers in Germany, have made the "Verbandsaufschlag" 20 per cent on all goods shipped to the United States. An agreement to this effect was signed July, 1907. The result of this increase in the price of china on the market for German wares is uncertain and has caused apprehension among some of the manufacturers in regard to the volume of future orders. It would seem to offer encouragement to American manufacturers of porcelain to enlarge their business. As most of these concerns in Germany pay good dividends to stockholders—in one instance more than 30 per cent yearly—the higher prices mean a large additional profit. This condition certainly gives the American industry a much better working margin. The German combine claim the advance is justified by higher wages, increased cost of raw material, and an advance of 10 to 15 per cent in the price of coal. One porcelain factory in the district reported a 20 per cent increase in the shipments to the United States during the year.

COLOR AND DYES—LEATHER GLOVE INDUSTRY.

Manufacturers of colors and dyes, the factories being located at Eisenach, had to figure on a very heavy increase in the cost of raw materials, especially metals, during 1907. The resulting higher prices made sales more difficult than in previous years, so that the volume of business did not increase materially. The manufacturers were compelled to raise wages. Exports to the United States remained about the same in volume as in 1905 and 1906. An increase is expected this year, as the result of several novelties which will be placed on the market and a reduction of prices owing to a decline in the cost of raw metals.

The export of leather gloves to the United States showed an increase last year over 1906. General conditions, however, were not favorable to the manufacturer, who had to contend with labor troubles, more expensive raw material, and an uncertain market. One of the largest manufacturers of gloves in this part of Germany says:

> The year 1907 began most discouragingly for me; the wage question brought about a temporary shutting down of the works and a consequent reduction in the volume of my output. The business prospects in the beginning of 1907 were good and I had hopes for a record year. However, in the late spring signs of a change for the worse became noticeable, and while there was still ample work on hand, it began to look very doubtful for the future. In addition to this, the cost of the raw skins, in spite of their inferior quality, was raised to a figure which made it almost prohibitive for the tanner or the glove manufacturer to buy up a stock on speculation. The high prices paid for skins by the dealers in the Orient also caused much hardship, the customer refusing to pay more for the finished article and the dealer declining to part with his raw skins at a loss, necessarily brought about a shrinkage in the amount of manufacture, leaving the field open to be supplied with the cheap cloth glove.
>
> On top of all this came the money flurry in the United States in the fall which affected our line seriously. The orders were few and small, compelling me to work short time as early as August and September, and again since Christmas.
>
> The prospects for 1908 are not very promising. The customers will be conservative in ordering in the first place on account of the uncertainty of the styles remaining the same and, secondly, because the dealer hopes to buy cheaper later on. A material reduction in the prices is out of the question, however, as the market is still overflooded with high-priced skins and the dealers holding them will not sacrifice their wares, preferring to hold on indefinitely.

MANUFACTURE OF TOY FURNITURE.

Manufacturers of toys, dolls, and fancy goods of this nature had a prosperous year, although orders were slack toward the close owing to adverse circumstances in America. This industry is affected by the ever-increasing scarcity of cheap labor. A large proportion of the work is done in the homes of the workmen, and the manufacturers say that the people demand more pay constantly.

The export business to the United States was large during the earlier months of the year, but orders fell off materially toward the close. In addition, many orders were canceled and the manufacturers have accumulated an unusually large stock. They hope for a revival in business this year. The factories devoted to the manufacture of toy furniture could not fill all their American orders owing to a lack of sufficient help. A new process has been introduced by which the various pieces of the tiny furniture sets are stamped out of wood, this powerful apparatus supplanting the slow work by jigsaws. In the

making of these goods as much care is given to the details of polishing and finishing as is the case in the manufacture of full-sized furniture.

INCREASE IN SHIPMENTS OF SEEDS AND PLANTS.

The shipments of seeds and plants were heavy during the year, the increase being approximately $40,000 over 1906 and the total about twice as much as in 1905. An unpleasant problem confronting this industry, which is centered at Erfurt, is the steadily growing scarcity of experienced labor, especially in the summer months. The young people go to the factories, where they can earn more money than the farmer or gardener is willing to pay them. One of the largest shippers in this line asserts that the export trade is badly hampered by the new parcel-post system in the United States, which limits the weight to 4.4 pounds. He says:

> This limit excludes many seed dealers from shipping abroad at all, as the packing alone weighs half that much. The relations with the United States, as far as my firm is concerned, are most pleasant. The seed business is one which requires mutual confidence, and that this confidence seems to have been established can be seen from the fact that orders and reorders come to us continually and unsolicited. The importation of seeds from the United States, which is considerable, is based on this same feeling of confidence.

Shipments of dried grasses and moss exceeded in volume the total for the preceding year. From January until March the orders from the United States were especially heavy, but this condition did not prevail throughout the year. In the last few months the cost of raw material increased to a considerable extent. Exporters are not hopeful of an especially good year for 1908, which began with a dull January.

DECREASE IN SHIPMENTS OF GLASSWARE AND PIPES.

There has been a gradual falling off in the shipment of glassware to the United States in recent years. The manufacturers at Jena attribute this condition to the progress made by their American competitors in the quality of the glass produced. They are confronted with an increase in the cost of production, due to the advance in wages, coal, and raw material. In general, business during 1907 is reported good.

The tobacco-pipe industry, which was formerly a most important one for Thüringen, has shrunk much in volume during recent years. Shipments to the United States, however, were about normal in 1907. One large manufacturer says:

> In the beginning and during the year 1907 we had a satisfactory amount of orders. We regret to say, however, that owing to an ever increasing scarcity of cheap labor we were not in a position to fill them all on time. The cost of raw material has advanced to a considerable extent since 1906 and we are obliged to work with less profit. Toward the end of the year conditions were not all that could be desired, many orders for pipes being canceled. Remittances were somewhat slow.

TEXTILE INDUSTRY FLOURISHING.

Business in the textile industry was flourishing in 1907. A large firm at Apolda, where the factories of this nature in the district are located, writes as follows:

> We were kept busy all of [illegible] in the first nine months. We had difficulty in procur[illegible] orders. Not only the

inland business, but also the export was very brisk. The export to the United States, however, was limited to shawls only. In the last quarter business slackened somewhat, particularly export orders. We ascribe this to the scarcity of money all over the world, and particularly to the money crisis which has affected some states recently. The high bank discount also affected our business materially. The cost of raw materials, wool and cotton, was consistently high. On the cotton exchange marked fluctuations were evident, without, however, affecting the prices of the yarn itself. The spinner was kept so busy throughout that there was no occasion for his taking any speculative interest in the fluctuations of cotton. The prices of wool in the first nine months of the year were steady and high, and the fact that the price of this commodity fell in the last quarter of the year had a somewhat depressing effect on our business, as the customers naturally hold back orders in expectation of lower prices. As a whole we are well satisfied with the year. Among new products we might mention the "motor scarf," of which we have shipped large quantities to the United States within the past two years. Owing to the brisk business conditions, wages have been considerably advanced.

Another manufacturer says:

The activity which developed in our line in 1906 continued throughout 1907; in fact, on an increased scale. Owing to a marked scarcity of skilled labor, it was only with the greatest difficulty that we were able to satisfy the demands of our customers, and in many instances this was not possible. This scarcity of labor naturally brought about the necessity of advancing salaries. Our export to the United States in 1907 increased considerably over 1906. The raw materials, wool, cotton, and silk, were high during 1907, and still have an upward tendency. The outlook for 1908 we consider very bright.

MINING INTERESTS—SCIENTIFIC INSTRUMENTS.

The mining industry of the district, centered about Arnstadt, enjoyed a prosperous year. Shipments to the United States consist largely of manganese ore and were slightly less in volume than during 1906. Compared with 1905, the decrease approximates $175,000. The prospects for 1908 are not especially flattering, as the price of raw materials has gone down in recent months, while wages are higher.

A company in Jena is the only one in the district shipping optical goods. Its specialties are scientific instruments and lenses. This concern reports a prosperous year, despite the higher wages paid, made necessary by the increased expense of living in Germany, and the extraordinary cost of raw material, which prevailed until October 1. Since then the price has gone down considerably. Orders for Germany and for export have been so heavy that the concern has found it necessary to materially increase its staff of employees. Exports to the United States increased considerably in 1907 as compared with previous years. Recently the firm has taken a financial interest in an American firm, which has had for years the manufacturer's license in the United States for many of the German firm's patents.

TRADE WITH THE UNITED STATES.

Many articles of American manufacture appeared on the market in this district during the year. Those which seem to be most in evidence are typewriters, kodaks, carpet sweepers, cereals, canned goods, rubbers, kitchen utensils, cash registers, agricultural machinery, etc. All seemed in fair demand and the merchants who handle these articles declare that they are pleased with results.

The exports from Weimar to the United States during the past three years were as follows:

Articles.	1905.	1906.	1907.
China	$575,272	$415,684	$292,546
Colors and dyes	44,523	31,517	42,805
Cotton goods	12,646	24,043	18,625
Fancy goods and toys	425,016	476,799	350,854
Glassware	92,482	68,281	66,430
Gloves	185,135	264,517	284,451
Hair	32,740	41,840	35,670
Leather	.....	8,458	32,858
Machinery	54,818	95,821	32,633
Minerals	229,882	95,809	47,713
Optical goods	28,740	34,657	40,088
Pipes	3,875	4,392	5,366
Seeds and plants	57,881	66,468	107,143
Silk goods	15,656	32,332	29,598
Wooden rules	17,856	34,454	22,938
Woolen goods	17,564	25,578	14,942
All other articles	11,868	18,778	18,009
Total	1,805,954	1,739,428	1,442,678

ZITTAU.

By Consul Clarence Rice Slocum.

The opening days of 1907 found manufacturers of all classes of goods well supplied with orders, not alone for the export trade but for the home markets as well. This state of affairs continued until well into the fall, when the effects of the short summer, accompanied by unusual rains, became apparent in the reduction in size of orders or in cancellations.

The export trade continued active, however, until October, when the financial difficulties in the United States caused not only deferment, but in some cases absolute cancellation of pending orders, all of which was not without deleterious effect upon the industries of the district.

CURTAILED OUTPUT OF COTTON GOODS.

The early days of the year gave promise of a trade in cotton manufactures far in excess of that of previous years, both in regard to volume of business to be accomplished and the relative profit prospectively derivable.

The cotton spinners throughout the district had orders booked well into the future, so much so, in fact, that manufacturers of cotton textiles were obliged to place orders for cotton yarns for future delivery in many cases twelve months hence.

Such orders, although in part speculative, were justified in the apparent continuance of good business and by the heavy future delivery buying of piece goods by wholesale and retail houses alike. In view of such prospects many manufacturers of the district enlarged their plants and increased their powers of production, in spite of the fact that labor and iron were dearer than is ordinarily the case.

Many manufacturers, having awaited the turn of events, were obliged to have recourse to the English markets for their yarns, counts being purchased at prices at which it is impossible to import under normal conditions and compete with domestic spinnings.

Large quantities of yarns were even imported from India, a state of affairs quite without precedent in the annals of local manu-

factures. An immense stock had accumulated in India on account of a falling off in exports for the China market, and these yarns were offered here and in Bohemia for immediate delivery at prices far below those obtaining elsewhere.

Under such conditions the raw material found a ready market without being subjected to any severe trial, but upon working up the yarn later the purchasers found that the evenness and strength of the yarns were far less than that of those spun from the American staple to which they had become accustomed.

After an unseasonable summer orders commenced to fall off and signs were by no means lacking that the previous high pressure in the trade was passed, as many wholesale houses found themselves with large stocks on their hands and many were unable to meet their obligations promptly.

The financial difficulties in the United States made matters still worse, while the mild season caused the winter orders to be much reduced in volume. Deferred deliveries and cancellations worked havoc, to which the rising bank rate materially added.

Notwithstanding the fact that the outlook at the close of the year in this branch of manufacturing was the very antithesis of that of its earlier months, the prices of yarn, coal, etc., still retained their high level.

LINEN, MOHAIR, AND LUSTER MANUFACTURES.

The opening of 1907 presented the manufacture of linen with prospects regarded as fully as brilliant as those of cotton, raw flax being hardly above the average in price, while yarns were higher than they had been in years, spinners having sold well ahead. Manufacturers were thus obliged to anticipate their requirements for several months in advance in order to execute the heavy orders received for various American accounts. The linen trade, from the fact of its being so largely dependent upon the American market, was placed through deferred deliveries in a worse position than the other trades commanding a wider scope. In spite of the depressed state of trade, linen yarns retained their high figure.

The trade in the manufacture of mohair and luster being practically dependent upon the domestic market, business continued good to the close of the year, while some contracts were placed to cover the earlier months of 1908. Cotton warps and mohair and wool wefts advanced somewhat during the first six months of the past year, while no decline in prices became apparent before November. In common with the November reduction in the price of raw materials came a decided slump in orders, practically nothing but duplicating orders from retail houses being entered.

MACHINERY—AMERICAN TRADE.

The machinery branch of the district's industries continued active throughout the year both for domestic and export accounts, unusual lack of Russian orders being counterbalanced by increased demand from other countries, particularly from Italy.

This industry was somewhat affected through the continual advance in the prices of coal and iron during the major portion of the year, although declining somewhat with the approach of 1908.

American efforts to reach this market, other than furnishing raw material for some of the cotton spinners, consist in those made by the *Berlin, Hamburg,* and Dresden agencies.

The articles of American origin finding a ready sale in this district comprise the following: Agricultural implements, harvesting machines, hardware specialties, labor-saving devices, typewriters and supplies, office furniture, dried fruits, petroleum, lard, and various toilet preparations.

SALES TO THE UNITED STATES.

The value of the exports declared at Zittau to the United States during the past three years was as follows:

Articles.	1905.	1906.	1907.
Buttons	$3,754	$1,049	$2,251
Cottons:			
Blankets	3,401	18,821	5,553
Dress goods	5,769	17,073	13,098
Household	97,237	101,547	126,170
Trouserings	7,152	6,696	5,540
Vestings	9,382	20,234	22,867
All other	301	492	1,535
Enameled steel	3,845	1,004	3,097
Flowers, artificial	162	449	4,388
Labels, cigar, etc	19,188	41,326	17,922
Linens:			
Cuttings	2,840	1,704	5,542
Dress goods	6,768	12,993	9,448
Household	947,780	1,080,232	988,890
Vestings	11,187	9,950	8,145
All other	1,053	759	1,059
Machinery	29,084	11,201	2,743
Post cards, pictorial	.....	1,271	7,072
Robes, bath, etc	7,153	19,074	17,922
Unions:			
Dress goods	2,229	3,262	855
Household	135,307	129,510	226,442
Vestings	6,937	10,775	13,071
Woolen goods	2,713	4,149	5,799
All other articles	26,008	30,046	106,961
Total	1,329,250	1,523,617	1,596,370

BELGIUM.

INTRODUCTION.

The delay in receiving consular reports, and the lack of sufficient force in this bureau to handle them promptly when received, has hindered the preparation of this annual review of the trade of Belgium, so that it has been deemed advisable to include some general statements of the trade for the first six months of 1908 and the totals for nine months.

Belgium, like almost every other country, suffered from the effects of the financial situation in the United States in the latter part of 1907, and has not yet recovered the lost trade. There was a decline in prices, a lack of orders, with a consequent decline in exports, and general depression in the latter part of 1907 and in the year 1908, so far as reports have been received. Nearly all the manufacturing industries, such as glass, iron and steel, cement, and lace, had to resort to shorter hours, and in some cases temporarily to close. The imports into Belgium for consumption for the calendar year 1907 were in value $707,449,000, as compared with $644,024,000 in 1906, making a record year for imports. The exports of domestic mer-

chandise also were the largest ever recorded, reaching $545,398,000 as compared with $517,499,000 in 1906. These are the official figures as furnished by the Bureau of Statistics. The imports into Belgium from 1891 to 1907, inclusive, increased nearly 104 per cent, while the exports in the same time increased only 86 per cent.

The imports into the United States from Belgium for the calendar year 1907 were in value $26,122,712, as compared with $30,686,534 in 1906. The imports for the fiscal year 1908 were only $19,895,677, the lowest since 1902. The exports from the United States to Belgium for the calendar year 1907 were in value $54,217,593, a small increase over the preceding year. For the fiscal year 1908 the exports were in value $52,940,514. The exports have continued to increase in recent years, and were the largest in the last year ever known, but there was a large decrease in imports, due principally to the decline in imports of diamonds, lace, and other articles of luxury. The United States takes almost three-fourths of the world's production of diamonds in years of prosperity, but the imports from Belgium ceased at the close of 1907, and the diamond cutters were largely thrown out of work, though prices of diamonds were kept up by the syndicates that controlled the raw products. Of the imports from Belgium in the last fiscal year, $6,678,166 were free of duty, or a little over one-third.

There was a considerable increase in cotton spindles in Belgium in the year 1907, and also in the importation of raw cotton. But the depression has decreased both the consumption and exportation during the present year. Orders for firearms from the United States have fallen off 50 per cent in recent years, and a large percentage of the workmen in Liege are now engaged in transforming discarded war materials purchased of different governments and selling them at low prices for both individual use and for arms for such a country as Morocco. A great deal of the tobacco used in Belgium was formerly imported from the United States, but the consuls report that Java and Hungarian tobacco are supplanting the American product, as they can be obtained at lower prices. There was a large decline in Belgium's export of textiles, including lace, in the last year and also of kid gloves and cement. The number of lace makers has largely decreased. A new coal field is being developed, with the expectation that it will be of great importance to the country, as much of the coal now used is imported.

The consul at Antwerp states that there is considerable complaint of the quality of American boots and shoes imported of late, which has done much to retard trade in those articles. Out of 348 tons of boots and shoes imported in 1907, the United States supplied only a little over 16 tons. There was a large increase in the importation of oil cakes in the Ghent district, but the imports from the United *States declined owing* to the higher prices.

American goods are sold largely through British and German houses, which the consuls say is a mistake, and it is declared that exports to Belgium would increase more rapidly if the trade was in the hands of representatives of American houses. There is to be an international exposition in Belgium in 1910, which will afford an opportunity for American manufacturers to display their products. There are nine steamship lines connecting Antwerp with the United States; thus the transportation facilities are very good. Owing to the low wages prevailing in Belgium, 5 to 11 cents an hour for mechanics, it is difficult to compete in many of the manufactured products of that country. There are two distinct races in Belgium, French and Flemish, one race occupying the northern part of the country and the other the southern part. Official publications are printed in both languages, but commercial houses, as a rule, transact business in French, and Flemish is not absolutely necessary in commercial transactions.

There is much of interest in the consular reports in this volume and in the matter relating to Belgian trade prepared in the Bureau of Manufactures, all of which can be commended to the consideration of manufacturers and exporters.

REVIEW OF TRADE CONDITIONS OF BELGIUM.

The foreign trade of Belgium, general trade, for the year 1907, as reported by Consul-General Watts, was as follows: Imports, 26,409,400 metric tons, valued at $1,181,893,400; exports, 21,114,400 metric tons, valued at $1,001,882,300.

The general trade with the United States during 1907 was as follows: Imports from the United States, 1,159,330 metric tons, valued at $61,432,993; exports to the United States, 299,812 metric tons, valued at $15,707,924.

The special commerce of Belgium during the year 1907 was as follows: Imports, 21,707,568 tons, valued at $661,718,835; exports, 16,473,916 tons, valued at $515,700,285. The difference between the special and general commerce represents the transit trade; that is, the special imports are imports entered for consumption in Belgium, while the special exports are composed of Belgian products.

Vice-Consul-General Gregory Phelan, of Brussels, furnishes the following statistics covering the special commerce of Belgium for the first nine months of 1907 and 1908:

Description.	1907.		1908.		Decrease.	
	Tons.	Value.	Tons.	Value.	Tons.	Value.
Imports	16,016,874	$518,963,490	15,472,985	$482,798,057	573,889	$36,165,433
Exports	12,261,705	377,791,710	12,078,268	366,495,613	183,437	11,296,097
Total	28,308,579	896,755,200	27,551,253	849,293,670	757,326	47,461,530

THE SITUATION IN THE EARLY PART OF 1908—IRON AND STEEL.

Consul H. Abert Johnson, of Liege, reporting on the commercial situation in Belgium for the first six months of 1908, says that the crisis affected nearly all industries. The total imports in those months amounted to $328,469,981, a decrease of $25,588,519 from the corresponding period in 1907. The exports in the same time were $244,128,595, a decrease of $6,028,932.

In the iron and steel industries there has been a lack of orders and a decline in price during the early part of 1908. Blast furnaces, steel works, and rolling mills all complain of the absence of orders, especially rolling mills. The home consumption takes about 25 per cent of the general production while the other 75 per cent is for exportation. In April, 1908, the price of Thomas cast iron showed a decline of $1.06 a ton, as compared with the same month of 1907. Puddled cast sold for $13.12, a decrease of $1.35. Steel for exportation was $23.36 f. o. b. Antwerp, as compared with $34.41 at the same time in 1907. March iron No. 2 had declined to $24.58 from $33.09 of the year previously. For home consumption iron had declined, up to March, $5.79 a ton, the price being $27.99; steel at the same time showed a decline of $7.72 a ton.

The exports of iron and steel during the first six months of 1908 were 501,676 tons, a reduction of 46,541 tons from the corresponding period in 1907. Steel in the rough and unfinished state was exported to the extent of 24,086 tons, an increase of 13,088 tons over the corresponding time in 1907; iron beams decreased in exports 26,966 tons in the six months of 1908, and rails decreased 5.25 per cent. The decrease in 1908 was most marked in crude cast iron. Regarding railway and street cars of iron and steel the exports during the first six months of 1908 exceeded those of 1907 by 7,145 tons, the exports of 1908 being 62,928 tons.

Reporting on the unsatisfactory condition of the iron and steel industries, Consul H. Abert Johnson says:

> Owing to the tendency in the United States and England toward improved conditions industrially, it is generally believed in Liege that the minimum of prices has been reached there, although it will be some time before any decided improvement can be looked for. Orders have been received for 10,000 tons of rails, with all requisite accessories, for the state railways of Norway, and for 1,450 tons of rails and accessories for the government railways of Italy. In the machine shops and tool-making establishments conditions are decidedly discouraging and in many cases reductions in the working forces have been inevitable owing to lack of orders. In establishments that manufacture railway rolling stock conditions seem decidedly better, and it is reported that the Government is about to distribute among them an order for 210 locomotives, which will do much to relieve the situation.

The South American republics are large buyers of Belgian metal, and the quantities of iron and steel sent yearly to Argentina and to Brazil have increased enormously of late.

ZINC AND LEAD.

The most valuable export trade from Belgium to Great Britain in 1907 was in zinc, amounting to 55,548 tons. The production of zinc is a very considerable industry in Belgium, and in 1906 amounted to 148,035 tons. The trade was almost entirely centered in the hands of one company. The average price of zinc in 1907 was $114.41 per

1,000 kilograms, showing a decrease of $15.54 as compared with the average price in 1906. While the price has declined in 1908, zinc has not suffered in the same proportion that the other metals have. The zinc company shipped 115,396 metric tons of zinc in 1907, France, England, and Germany taking the bulk of the shipments.

The average price of English lead in Belgium in 1907 was $93.99 for 1,000 kilos, an increase of $10.02 over 1906.

DEPRESSION IN THE COAL INDUSTRY.

There was a decrease of 68,078 metric tons in the exports of coal for the first six months of 1908 as compared with the corresponding period in 1907. The report of the inspector-general of mines shows that there was in 1907 a decrease of 250,100 metric tons in the production of coal as compared with 1906, but on account of the higher prices which prevailed in 1907 the value of the output of the mines was $413,261 greater than in 1906. The average daily wages of the working forces in the mines in 1907 was 95½ cents, an average increase of 8½ cents a day on the wages of 1906. The large increase in the importation of foreign coal continued in 1908, and has had a depressing effect on the Belgian industry.

Coal was affected in common with other industries in the latter part of 1907 by the generally straitened circumstances. During the first six months of 1908 the prices for home-mined coal dropped considerably, and there is a great difference between the contract prices that ranged for 1908 and those of the previous year, amounting to as much as 60 to 80 cents per ton. There seems to be some indignation felt in manufacturing circles that the export rate by rail for coal for a certain distance is considerably less than the import rate for the same distance. Thus it is stated that the rate per ton for coal sent from Charleroi to Antwerp is 2 francs 15 centimes, but the freight on a ton of coal from Antwerp to Charleroi is about 4 francs 10 centimes. Belgian coal can not apparently be sold very much cheaper than it now is without materially affecting the wages of the workers in the mines. The manufacturing industries, such as glass, iron and steel, cement, etc., are almost all obliged to work shorter hours and to lessen production, as they can not decrease prices to meet the market owing to cost of fuel. It seems perhaps that the prices of Belgian coal, if the present state of affairs last, will continue to fall, as they have been doing of late, and the wage-earners in the industries will suffer still more.

COAL ADJUDICATIONS—NEW FIELD—REDUCTION IN COKE.

The coal adjudications for the government railroads and mail boats take place twice a year and regulate the coal prices for the following six months. In March, 1908, the amount of coal asked for was 420,000 tons and 134,400 tons of briquettes. English and German concerns were successful competitors, to a large extent, and caused a decline in prices which, according to qualities, ranged from $2.50 to $3.26 a metric ton. However, lots of choice coal reached $4.10. English competition was also successful for coke. For briquettes the Belgians asked $3.76 and the English $4 a ton, and for washed coke the Belgian producers asked $5.98, while the English offered it at $5.60. The average price of coal at the mines in 1907 was $2.90 a ton in Belgium, in England from $1.74 to $1.93, and in

Germany from $2 to $2.12. The price of coal is ruled by the demand for it in the manufacturing industries.

The new coal fields in the Campine are being developed vigorously, though extensive bodies of shifting sands have been encountered, which render the work of boring extremely difficult and expensive. One of the companies became so discouraged that it abandoned its works at Asch and transferred its operations to Waterscheyed. In spite of these conditions the purchase of ground for development has been going on rapidly. Ghent seems now to be the very center of activity, though the opening up of the coal fields has been seriously retarded, and at Meeuwe a thick layer of slate was encountered, which was also experienced at Beeringen while executing borings.

The department of railways decided to accept only 30 of the 170 lots of coal offered by foreign competitors on September 15, 1908, at prices considerably lower than those prevailing in Belgium; this out of a total of 500,000 tons required by the States leaves less than one-third to come from their mines. Small coal and dust is sold at from $2.30 to $2.50 per ton. Nut and other assorted coal ranges from $4.44 to $6.17 per metric ton.

Rumors are current that the coke syndicate is to grant a reduction of 60 cents a ton during the last three months of 1908. The coke syndicate has been in a better situation than that of the coal producers, as the coke syndicate depends principally upon the iron industries. Beginning with April there was a decrease in the price of ordinary coke of 58 cents a ton, making the price $4.25 a ton. For half-washed coke the decrease was 39 cents, leaving the price $5.02 per ton. But the lowering of prices was only in favor of the old customers of the coke syndicate.

CLOSING OF GLASSWORKS.

The situation in the glass industry, particularly as to window glass, has been gradually becoming worse during the last two years, and several works have been compelled, for lack of demand, temporarily to shut down, while others have had to restrict their production. The British Empire and Egypt receive considerable more than half of the Belgian plate glass and close upon half of the window glass exported. Notwithstanding the greatly reduced production in 1908, there was still an apparent excess of supply over demand, and the end of the crisis is not in view, but it is doubtful if prices can be further reduced. It is stated in the industrial press that a syndicate glass factory is shortly to be erected in Peking, financed entirely by Chinese capital, which will be another blow to Belgian glass making, taking from Belgium one of her markets. A new glass factory has been established in Japan and workmen have been sent there. The plate-glass trade, owing to the international syndicate's action, is in a better situation, though the production has of necessity to be very limited. The first quarter of 1908 showed a reduction of the average output of 28 per cent, which was increased in April to 48 per cent, and from May up to August the production was as low as 60 per cent of the average. An improvement was expected from the American market in the latter part of 1908.

The exports of glassware for the first six months of 1908 showed a decrease of 24 per cent as compared with the corresponding time *in 1907,* the total being 104,511 tons; bottles and crude glass, taken

alone, showed a slight increase. The exports of window glass in special commerce aggregated in value $11,656,056 in 1906, as compared with $8,763,255 in 1905. There was a serious falling off at the end of 1907 in the production of table glass, bottles, etc., which was continued in 1908.

THE TOBACCO INDUSTRY.

Consul-General Ethelbert Watts, of Brussels, reports that there was nearly 6,700 acres of tobacco cultivated in Belgium, chiefly in east and west Flanders and in Hainaut. The yield in 1907 was 19,476,206 pounds, a reduction of over 1,000,000 pounds from the previous year. The average cost of production is estimated at from $314 to $320 per hectare (2.471 acres) and the average yield 5,500 to 6,600 pounds per hectare. There is an excise tax of 15 francs ($2.90) per 220 pounds on all tobacco except that which is raised for the personal use of the planter, which is free from tax. On all tobacco exported the tax is refunded. There are about 616 tobacco factories in the Kingdom, employing 9,800 persons. The imports of unmanufactured stem tobacco in 1907 reached 408,599 pounds. The United States supplied 152,990 pounds, a reduction from the previous year of about 40,000 pounds. Of all other unmanufactured tobacco the importations in 1907 aggregated 19,678,938 pounds, a reduction of about 1,000,000 pounds over 1906. From the United States the imports were 6,095,874 pounds, as compared with 8,079,192 pounds in 1906. The Netherlands supplied the largest quantity in 1907, though in preceding years the United States had the lead. There were 169,935 pounds of cigars and cigarettes imported, of which 12,222 pounds came from the United States, a reduction of over 6,000 pounds from the previous year. In cut and smoking tobacco and snuff the importations reached 156,939 pounds in 1907, a small increase over 1906. The United States supplied 26,737 pounds, slightly more than in the preceding year. Algeria furnished 59,624 pounds, a considerable increase over the preceding year.

DECREASING IMPORTS OF AMERICAN TOBACCO.

Consul-General Watts states that the tobacco which is replacing the American product in Belgium is chiefly Java and Hungarian. Of cigars and cigarettes, 303,411 pounds were exported in 1907, of which England took 77,381 pounds, Germany 38,379 pounds, Argentina 26,633 pounds, and Portugal 20,913 pounds, an increase in each case over the preceding year. The exports of cut and smoking tobacco in 1907 amounted to 17,341 pounds. The duty on unmanufactured tobacco imported into Belgium is $14.47 per 220 pounds when stemmed and $10.61 when not stemmed. Cigars and cigarettes pay $115.80 per 220 pounds and other manufactures, including smoking and cut tobacco, $23.16 per 220 pounds. All foreign and unmanufactured tobaccos are also subjected to an excise duty of $2.29 per 220 pounds.

Consul-General Henry W. Diederich, of Antwerp, says that there was a time when the United States was the largest shipper of tobacco to Belgium, but the Dutch are now taking that place. American tobacco is being used less and less and for certain kinds of manufactured tobacco it has been discarded entirely. The consul-general says that those who are familiar with the tobacco trade in Belgium assert

that the American planters are themselves to blame for this change, as they have forced prices too high and invited competition in all the tobacco markets. The law of April, 1896, granting exemption from the excise revenue tax to farmers raising tobacco for their own use has been a further check on foreign tobacco. It is estimated that 6,000 pounds of native-grown tobacco thus annually escapes revenue taxes.

THE WOOLEN INDUSTRY—EXPORTS OF TEXTILES.

The conditions of the woolen industry in Belgium are very unsatisfactory as set forth by Consul H. Abert Johnson in a recent report. He says:

> The decline in the price of wool stopped abruptly in the spring of 1908, which led to a number of fresh orders, but the period of calm has returned and conditions were more discouraging in the middle of 1908 than at the end of 1907. Transactions have been practically at a standstill since October, 1907. The situation generally is so decidedly unsatisfactory that anything like a speedy prosperous revival can hardly be expected. The unstable prices for raw material and the uncertainty that ranges in the woolen market tended to make the situation in July, 1908, the worst ever experienced.

The depreciation in value of stocks of woolen goods in many cases entirely did away with the profits gained in the early part of last year, leaving a balance on the wrong side. All orders, especially those for export, fell away during the last quarter of 1907. The first quarter of 1908 was one of the most unfavorable which the trade has known for a long time and prices have continued to fall. The total imports of wool during the first six months of 1908 amounted to 78,418 tons, as compared with 102,439 tons for the corresponding time in 1907.

The decrease in the exports of textiles for the first six months of 1908 was as follows: Woolen textiles, 343,860 pounds, or 17 per cent; cotton textiles, 312,312 pounds, or 18 per cent; linen, hemp, and jute fabrics, 2,016,740 pounds. The decrease in the imports of textiles in the same time was as follows: Woolen textiles, 20,376 pounds; cotton textiles, 498,720 pounds, or 7.7 per cent; linen hemp, and jute textiles, 64,900 pounds, or 9.7 per cent.

DIAMOND CUTTERS IDLE—WAGES PAID.

Consul H. W. Diederich, in a report from Antwerp, states that nearly one-half of the 5,000 diamond cutters of that city were thrown out of work through the failure of orders from the United States in the latter part of 1907 and the early part of 1908. The Antwerp diamond industries comprise about 40 factories and employ about 5,000 men in good times. Diamond cutters are paid a wage of $12 to $16 per week, cleavers $20 per week upward, while the sorters receive $6 to $10 per week; thus the average wage received is from $13 to $14 per week. As the result of competition there has been a very large reduction in the wages of workers in this industry in recent years. Owing to the peculiar conditions of this trade it is impossible, he says, to give correct statistics, as the custom-house at Antwerp has little control over exportations, the greater part of which are sent by post. Almost three-fourths of the world's production of diamonds is bought by the people of the United States. The declared value of these gems covered by invoices presented at the American consulate-general at Antwerp during the year 1907 amounted to *$5,230,519* for cut diamonds and $1,053,057 for rough stones. The

bulk of this business was done during the first nine months of the year, as the exports ceased in the last three months of the year. While many commodities have fallen in price, some of them largely so, the price of diamonds, which are mere luxuries, has remained firm; this is said to be due to the fact that the competitors in the diamond fields of South Africa have effected an agreement controlling prices for a number of years.

TRANSFORMING DISCARDED WAR MATERIAL—THE LACE INDUSTRY.

Consul H. A. Johnson, in reporting from Liege, Belgium, on making over old army rifles and how they are sold, tells of the purchase by Belgians of discarded war material hardly the worse for wear, but having become obsolete, and of transforming them for sale to individuals and companies. He says that among the well-known makes of firearms already transformed or undergoing transformation at the hands of the Liege gunsmiths may be mentioned several thousand Martini rifles, discarded by the Roumanian Government; nearly the same quantity of Gras rifles, superseded in France by the Lebel, as well as a number of Comblain and Albini rifles, formerly used, and, to a limited extent, still in use by the Belgian civil guards. Out of some 8,000 gunsmiths who ply their trade in their own homes a large proportion are engaged in producing antiquities, so to speak, as fully 50 per cent of these transformed guns that are exported from Liege are flintlock pieces. It appears that the Sultan of Morocco bought 40,000 Gras rifles at prices ranging from $1.90 to $2, and also other weapons and military tents that had been discarded by other countries.

Consul-General Ethelbert Watts, of Brussels, in speaking of the lace industry in Belgium states that there are 45,500 lace makers in that country. A majority of the workers earn from 10 to 17 cents a day, exceptionally good workers earn about 20 cents and expert workers, of which there are only 10 or 12 out of 15,000, earn about 38 cents a day. Notwithstanding the success which Brussels lace has had the future of the industry does not appear bright. Every year the number of lace makers decreases to an alarming extent.

AGRICULTURAL PRODUCTS—HORSES FOR FOOD—EXPORTS OF CEMENT.

Consul Johnson reports that the use of agricultural machinery in Belgium is becoming more general, owing to the difficulty of securing hand labor.

Potatoes formed the chief item of agricultural export in 1907, amounting to 126,038 tons. Chicory formed a valuable trade, the exports of 1907 amounting to 44,494 tons. In 1907 eggs were imported to the number of 218,865,000, having a value of over $3,000,000, and coming from Italy, Russia, Bulgaria, and Germany. The exports amounted to 129,296,000 eggs, valued at over $2,000,000.

The rise in prices of lard in 1905 and 1906 gave place to a fall in 1907, and from 123 francs, liquidation price for January, the price gradually fell to 106½ francs in November, and finished at 107 francs at the close of the year for spot, while May, 1908, was quoted at 102 francs. There was a slight reaction in May and October, when prices rose to 113 to 115 francs.

The importation of horses from Great Britain was considerable, amounting in 1907 to 30,941 head, having a total value of nearly $1,500,000. But the greater number of these horses are imported

for food purposes and are killed in the municipal abattoirs immediately after arrival, and the average value per head of these horses is estimated at about $25.

All of the principal markets for Belgian cement purchased less of that article during 1907 than usual, and Great Britain, which has always been by far the principal receiver of Belgian cement, took considerably less than Germany. The irregular practice of certain dealers in Belgium of describing natural cement as Portland cement, and as Portland cement of British origin, have led to efforts to put a stop to the practice. The exports of cement for the first half of 1908 showed a decline of 96,844 tons as compared with the first six months of 1907. The decline in the exports to the United States amounted to 27,231 tons. There was a like decline in exports to the Argentine Republic and to England. It is anticipated that 1908 will be one of the worst years on record in the cement industry of Belgium.

NEW HARBOR AND CANAL—EFFECT OF ANTWERP STRIKE—SHIPPING.

Consul W. P. Atwell, of Ghent, tells of the new harbor and the improved deep canal that will connect that city with the Atlantic Ocean. It is expected that the canal connecting Ghent with the North Sea will be completed about the beginning of 1909. The new maritime lock at Terneuzen will be 459 feet in length, 59 feet wide, and 17 feet in depth at low tide. The bridges on the canal will be opened and closed by electricity, while the total distance of 20 miles separating the port of Ghent from the sea will be fitted with electric arc lights. The narrowest part of the canal is 220 feet at the surface of the water and 78 feet at the bottom, and the depth is 28½ feet. The canal when completed will permit the safe entry of large trans-Atlantic cargo boats. It has been announced that as soon as the improvements have been completed a new line of steamers will ply from Ghent to Galveston.

The great strike of the Antwerp docks in August, 1907, was a heavy blow to the shipping trade; but the same month of 1908 was still more unfavorable, showing 18 ships and a tonnage of 14,144 less than in 1907. Rotterdam was still less fortunate, losing 87 ships with 38,504 tons when compared with the month of August, 1907.

The number of vessels that arrived at Belgian ports in 1907, was 10,306 as compared with 10,247 in 1906, and the tonnage was 13,465,447 as compared with 12,945,667 in 1906.

AMERICAN GOODS SOLD THROUGH BRITISH AND GERMAN AGENTS.

Consul-General Ethelbert Watts, of Brussels, reports that many American goods are sold in Belgium through German and English agents, thus subjecting American exporters to unnecessary expense and charges in placing their goods in the Belgian market. Consul-General Watts says American shippers should have agents in Belgium and ship direct to them via Antwerp, and thereby be better able to compete with other foreign goods. American special machinery, automatic tools, and hardware would probably meet with good success there. Plumbing and house-heating materials, paints and varnishes, tinned meats, vegetables and fruits, also salted and dried meats and dried fruits, are in demand in that market. Brushes for domestic and industrial purposes and Ar[illegible]alties of all kinds are very

popular. Agricultural machinery and vehicles generally, especially light buggies, are known and are very popular, but not nearly enough exploited. The consul-general adds:

Although it seems anomalous to speak of introducing American carpets in Brussels, yet I believe a good market could be found for them here, inasmuch as the old famous Brussels carpets are no longer made here, and those made at Tournai and elsewhere in this country are sold at very high prices. In view of the coming international exposition to be held in Brussels in 1910, which will make this very accessible city a center of attraction in Europe, it may be well for American exporters to begin now to prepare for it.

ORIENTAL TRADE—KONGO—INTERNATIONAL EXPOSITION—PUBLIC RELIEF.

Consul H. Abert Johnson, of Liege, gives an account of the special effort that Belgium is making to advance its commercial interests in the Orient. Prior to 1905 the efforts made to foster closer commercial relations with China were chiefly confined to the action of single individuals or firms. Now the Government is making active efforts in that direction. Belgian brands are now extensively sold in Japan, though a very small percentage of such brands find their way into that country by means of direct importation from Belgium. There has been an association organized in Belgium which proposes to issue a monthly bulletin in the interests of exporters to Japan, similar to the official organ of the Belgian Chamber of Commerce. The work of the new association will include Formosa, Korea, and Manchuria.

The annexation of the Kongo has led to increased action in the way of efforts to foster popular interest in questions relating to colonization. Associations have been organized for that purpose.

An international exposition is to be held at Brussels during the year 1910, beginning in April and remaining open for at least six months. It is believed that this will afford an excellent opportunity for American producers to place their products advantageously before the visitors to that exposition. The exports of American merchants to Belgium include such a varied line of manufacturing industries that it is thought that this exposition will be advantageous to such Americans as make use of it.

Consul Johnson states that a committee of parliament urged the placing of a reserve fund of nearly $2,000,000 at the disposal of the minister of railways, to be expended in the purchase of new material, and in that way permit the state to come to the aid of Belgian industries in the period of depression and thus avoid a disastrous fall in prices.

BUSINESS CONDITIONS—TWO RACES IN BELGIUM—THE CUSTOMS DUTIES.

Sir Cecil Hertslet, the British consul-general in Belgium, in writing in September, 1908, on the situation in that country, states that the returns for the year up to that time show that the trade of the country has in a measure been forced to succumb to the prevailing unfavorable commercial depression in other countries. In some industries the manufacturers have entered into agreements with those of Germany in the formation of syndicates for the regulation of selling prices, in order to do away with excessive competition.

A peculiarity of Belgium is the great difference both in character and language of the population of the northern and southern parts of the country. Officially there are two languages, the government

notices and publications being issued in both French and Flemish. French is almost entirely used in commercial houses, though English is widely known and used commercially. All the larger firms throughout the country are said to be familiar with English.

The British consul-general, speaking of the Belgian customs tariff and revenue, says:

The total customs revenue on goods imported into Belgium in 1907 compared with 1906 showed an increase of about 2.7 per cent. The amount collected as customs duty appears to be an absurdly small one when it is considered that Belgium is supposed to be a protected country, but the true significance of the customs tariff is that it is imposed more with a view of protecting certain manufacturing and other industries, while admitting the free importation of practically all the necessaries of life, with but very few exceptions, than with the thought of collecting revenue for the necessities of the government. The tariff as framed in Belgium gives a certain preference for home manufactures for the supply of home wants. Most of the imports in 1907 showed an average percentage of duty of only 1.53 per cent. The principal articles producing revenues from the imposition of customs duty were: Tobacco, 8.5 per cent; wood for building purposes, 7.9 per cent; haberdashery and hardware, 5.6 per cent; alcoholic liquors, 4.1 per cent; fruit, 3.2 per cent; silk tissues, 2.9 per cent; and cheese, cotton tissues, iron and steel, fresh and salt butter, about 2 per cent each. Of Belgian imports in 1907, 20 per cent came from America, and of Belgian exports 9.6 per cent in value went to America. There is no customs duty on precious stones, and the value given on imports of diamonds are therefore approximate. It appears that almost all the diamonds imported and dealt with in Belgium come from Great Britain. More resins and bitumens are imported into Belgium from Great Britain than from any other country.

LOW WAGES PAID.

On the question of wages the British consul-general says:

Speaking generally, and making a comparison with the average rates of pay current in the United Kingdom, the Belgian workman in almost every branch receives low wages, in addition to which, far from working shorter hours as might possibly be supposed, the day's work as a rule greatly exceeds that which the British workman is required to undertake; and if the Belgian accepts his heavier task for less remuneration, it can only be ascribed to an acquiescence in facts as they exist, or a happy ignorance of the less arduous and better remunerated labor of his brother toilers in a neighboring country. The laboring class of this country have to work longer to gain little compared with what is generally the case in the British Isle. The municipalities in most of the towns of Belgium have a minimum rate of wages which they authorize for the carrying out of contracts for municipal work, and the current rate of wages in the various towns have this scale of minimum rates for their basis. In Antwerp the maximum working day is fixed at ten hours. The rates of wages at the docks at Antwerp are regulated by the Union for the Protection of Labor. The men engaged in unloading cargoes from ships, such as coal, ore, phosphates, pitch, etc., are generally employed by contract, and as this work is difficult and unhealthy they are able to earn from 5 shillings 7 pence to 9 shillings 5 pence per day (shilling = 24 cents; penny = 2 cents). These conditions do not apply to men working for the various cartage companies who pay their regular hands from 2 shillings 5 pence to 2 shillings 10 pence per day. Workmen employed in handling general cargoes receive 4 shillings 9 pence per day when stowing in holds, and when shifting cargoes on the quays 4 shillings a day. Since the strike of 1907 men engaged on cargoes of grain and wood are paid 4 shillings 5 pence per day.

SPECIMEN RATES OF PAY.

Consul Henry W. Diederich, of Antwerp, gives a list of the wages paid in various industries, some of which are as follows: Laborers, $3.50 per week; bricklayers, 7½ to 8 cents an hour; cigar makers, $1.20

to $2.40 per 1,000; iron molders, 8 to 9 cents an hour; machinists, 8½ to 9½ cents an hour; blacksmiths, 11 cents an hour; turners, 11 cents an hour; plumbers, 9 cents; cabinetmakers, 9 cents; carpenters, 9 cents; upholsterers, masons, painters, glaziers, roofers, marble workers, pavement workers, printers, lithographers, bookbinders, etc., 9 cents an hour; joiners, wheelwrights, asphalt layers, locksmiths, modelers, etc., 8 cents an hour; brewers (kettlemen), wattlers, stone carriers, chair menders, excavators, etc., 7 cents an hour; assistant riveters, 6 cents; assistant locksmiths, 5 cents; bread bakers, $5 to $6 per week; drivers, 88 to 90 cents per day.

The problem of the unemployed is a serious one now in Belgium in the iron, steel, and glass industries. Instead of dismissing a large number of men and working with fewer employees, almost the full number of men are kept employed, but each man works for only about twenty days in the month, or else two men do the work of one man, or three men do the work of two, and receive less pay accordingly.

EXPORTS TO CUBA—NATIONAL BANKS.

Exports to Cuba from Belgium increased from $1,307,189 in 1903, to $2,761,637 in 1905, and still remain over $2,000,000, though imports from Cuba were only $73,147 in 1903, and fell one-half in 1904–5, and were only $77,586 in 1906.

The National Bank of Belgium at the close of the year 1907 had a capital of $9,650,000, and bank notes in circulation to the extent of $143,897,660. Including government deposits, the total assets were $736,368,965.

COMMERCE OF 1907.

IMPORTS AND EXPORTS BY PRINCIPAL ARTICLES.

The following statement showing the imports and exports by principal articles into and from Belgium in 1907, general trade, given in part by weight and in part by value as far as the values were obtainable, was furnished by Consul-General Watts, of Brussels:

Articles.	Imports.	Exports.	Articles.	Imports.	Exports.
	Pounds.	*Pounds.*		*Pounds.*	*Pounds.*
Alimentary conserves...	39,967,344	15,993,404	Hides and skins:		
Bark for tanning.....	485,027,974	15,026,858	Raw.....	137,563,756	97,230,811
Bran.....	127,568,324	118,243,415	Prepared.....	5,509,742	10,732,163
Bread and sea biscuits..	1,526,111	2,999,649	Iron:		
Butter, fresh and salted.	12,509,539	3,986,026	Raw.....	1,341,884,458	53,729,555
Cocoa, prepared	2,075,488	325,211	Manufactures of	8,484,146	63,334,324
Candles	715,884	6,943,368	Old and scrap.....	217,907,163	144,131,277
Copper:			Lead:		
Worked	6,415,286	4,921,832	Rough.....	146,225,209	133,593,497
Rough.....	46,831,748	31,210,852	Manufactures of.....	906,217	4,018,280
Cordage.....	2,172,084	14,716,709	Lime.....	20,498,590	144,167,958
Dyes and colors.....	223,414,398	195,521,077	Malt.....	3,191,379	1,456,880
Fish, preserved	146,942,653	34,019,264	Manures	377,360,608	1,512,974,212
Flour.....	12,356,166	100,924,945	Meat	39,954,647	20,679,485
Fruit:			Molasses and sirup.....	20,341	17,002
Fresh.....	2,335,128	55,849,728	Oil	92,879,934	79,749,096
Apples	11,051,761	25,472,839	Oil cakes.....	423,050,802	146,318,711
Dried.....	17,902,617	410,859	Paper	44,579,394	11,612,323
Grains of all kinds.....	7,507,217,038	2,351,681,719	Potatoes.....	208,927,376	277,285,408
Grease.....	100,983,133	89,233,463	Pottery of all kinds.....	360,787,170	558,151,515
Hay and forage.....	352,326,711	227,226,204	Rags.....	105,421,182	120,403,963
Horn	59,507,703	39,062,213	Raisins	108,572	1,033,543

Articles.	Imports.	Exports.
	Pounds.	*Pounds.*
Rosin and bitumen	764,514,557	272,213,867
Salt, raw and refined	407,599,240	4,193,684
Silk goods	705,727	23,891
Starch	8,561,510	2,658,831
Steel:		
Bar, beam, sheet, drawn	125,559,337	1,801,781,431
Cast	323,524,609	86,971,509
Wire	104,327,931	39,297,562
Tubing	27,456,829	6,842,667
Worked	46,066,396	269,322,678
Stone:		
Rough and cut	220,889,242	400,906,759
Paving	30,105,148	313,596,826
Other	322,410,752	2,468,064,326
Sugar, raw and refined	14,472,003	380,289,030
Thread:		
Cotton	6,001,021	8,966,067
Linen	7,711,042	64,393,196
Silk	204,076	1,118,053
Other	1,905,596	3,112,787
Tin:		
Rough	5,331,962	671,759
Worked	523,633	174,042
Tobacco	20,448,533	432,949
Vegetables, preserved	61,714,181	26,089,477
Wax, raw	1,065,504	515,573
Wood pulp	242,646,450	72,790,406
Yarn, Woollen	2,283,017	23,461,482
Yeast	705,208	4,208,217
Zinc, rough	31,691,086	305,015,117
	Dollars.	*Dollars.*
Animals, not specified	273,286	247,520
Animal matter, raw	2,048,246	3,030,070
Arms	674,825	484,065
Art objects	1,173,354	1,124,461
Carriages of all kinds	1,504,609	1,529,460
Cars, tramway and railway	1,975,038	37,805,992
Cement	.....	3,963,165
Chemical products	17,527,642	10,218,342
Clothing of all kinds	3,844,922	2,677,649
Copper, worked	460,474	371,243
Drugs	9,583,315	6,644,948
Furniture	1,434,509	1,745,133
Glass	918,812	16,281,692
Hardware and mercery	4,823,495	5,870,843
Hides and skins, manufactured	2,045,057	3,819,350

Articles.	Imports.	Exports.
	Dollars.	*Dollars.*
Instruments:		
Musical	489,396	102,418
Scientific	441,548	76,261
Iron and steel:		
Hammered and rolled bars	(a)	14,920,912
Joists	(a)	2,607,307
Rails	(a)	4,293,504
Sheets	(a)	3,730,522
Worked	(a)	13,796,184
All other	(a)	6,544,942
Total iron and steel	(a)	45,892,368
Linen goods	361,582	4,337,505
Machinery	15,491,121	12,492,223
Machine tools	480,062	155,228
Minerals, raw	31,132,945	11,329,280
Oilcloth of all kinds	507,495	435,301
Plants	371,577	2,139,455
Soap	167,049	93,949
Textiles, raw	8,055,713	46,626,888
Tissues, not specially mentioned	252,792	240,202
Tissues, cotton	7,463,570	11,468,154
Typographical products	2,702,852	1,422,893
Vegetable substances	1,718,945	969,833
Woolen tissues	3,956,442	2,941,006
Animals:	*Head.*	*Head.*
Oxen and hogs	222,960	508
Horses and colts	52,405	26,556
Alcoholic liquors, all kinds	*Gallons.* 370,325	*Gallons.* 2,784,932
Beer	5,823,733	197,401
Cream and milk	324,311	1,240,196
Wines	9,140,097	19,812
	Number.	*Number.*
Eggs	218,865,430	129,296,878
Slate	29,742,338	12,621,142
Wood:	*Cubic feet.*	*Cubic feet.*
Oak and walnut	7,175,071	196,587
For building, other than oak or walnut	44,685,282	399,036

a Not ascertainable.

INDUSTRIES IN THE PROVINCE OF HAINAUT.

There were 70 coal mines in operation in the Province of Hainaut during the year 1907, comprising 188 extraction pits in activity, 15 in reserve, and 12 in preparation. Miners employed numbered 73,377 in the pits and 27,877 in surface work. The gross production was 17,027,090 metric tons, valued at $54,367,598.

The expenses were as follows: Wages, $29,497,589; other expenses, $18,152,104; total, $47,649,693. Total profits, $6,717,905. The selling price of coal at mine was $3.19 per ton. The average price in 1906 was $2.85, and in 1905 $2.39 per ton. There were in the Province of Hainaut in 1907 31 plants for the production of coke, having 2,370 coke ovens and employing 2,329 workmen. Coal to the amount of 2,291,170 tons were consumed to produce 1,749,410 tons of coke, amounting to a total value of $8,853,970. The price of coke was $5.05 per ton, as compared with $4.45 in 1906 and $3.62 in 1905.

There were in operation 34 agglomerate briquet works, including 73 presses, employing 1,252 workmen; and the coal consumed was

1,468,190 tons. The total quantity of agglomerates (briquets) produced was 1,618,940 tons, valued at $6,664,319. Price per ton $4.12, as compared with $3.69 in 1906 and $3.03 in 1905.

There were 419 open quarries and 142 underground quarries, employing 15,660 workmen. The value of the production in 1907 was $5,781,591, a slight advance over the preceding year.

Smelting furnaces to the number of 16 were in blast during the year and 4 shut down. Foundries to the number of 98 were working and 1 shut down. These works employed 1,734 workmen. The output in cast, refined iron and steel, amounted to 616,940 tons, valued at $5,886,067. There were 23 iron works working, wherein 6,938 workmen were employed, and the production was as follows: Rough iron, 185,570 tons, valued at $4,219,347; finished iron 263,400 tons, valued at $8,066,983. In 1907 there were 16 steel works in active operation, wherein 8,229 workmen were employed, and the production was: Ingot steel (cast), 747,775 tons, valued at $15,981,207; half-finished steel, 392,800 tons, valued at $11,015,253.

COAL, BRIQUETS, STONE, AND IRON IN NAMUR.

The year 1907 was the most prosperous year the coal mines of Namur ever had. The 11 mines in operation produced 899,060 tons, valued at $2,769,183. The total expenses amounted to $2,586,248, leaving a profit of $182,935. The selling price of coal at the mine was $3.13 per ton. The average net daily pay for each of the workmen employed amounted to 99½ cents. The 5 briquet works in operation in the Province of Namur increased their production from 151,040 tons in 1906 to 175,730 tons in 1907, and the price advanced from $3.43 per ton to $3.72.

In quarries in Namur work was carried on in 133 communes, and included 180 underground and 274 open quarries employing 6,260 workmen, 5,128 in open quarries and 1,132 underground. The value of the production was $2,413,581. The two iron and steel works in the Province employed 855 workmen, consumed 8,410 tons of fuel, and produced 7,100 tons of steel valued at $739,962.

ANTWERP.

By CONSUL-GENERAL HENRY W. DIEDERICH.

The consular district of Antwerp is not, strictly speaking, an industrial one, nor is it a wholesale market for manufactured goods. The invested capital is absorbed by the shipping industry, by traffic in the staple articles of trade, and in raw materials. The financial groups and banks of this district are more attracted by foreign investments than by local industries, giving their attention to land in Egypt, tramways in the Argentine Republic, Russia, etc., rubber in the Kongo and in the Malay States, etc.

Statistics of the imports from the United States do not show the values, but manufactured products form but a small part of the trade. The value of the declared exports to the United States are given in another table. There is, in fact, great difficulty in arousing the interest of merchants in manufactured goods—this branch of trade

being sought after solely by the retailer—and it is for this reason that American manufacturers desirous of selling their goods in this market should not depend upon local importers, but appoint their own agents here or send their own representatives into the field.

IMPORTS FROM THE UNITED STATES.

The following statement shows the total imports at the port of Antwerp, together with the imports from the United States during the year 1907:

Articles.	Imports.	
	Total.	From U. S.
Animals, live:	*Tons.*	*Tons.*
Bulls	2,714	2,714
Oxen	2,005	2,004
Sheep	23	23
Horses	6,531	54
Animal wax	411	38
Animal fat	49,000	24,802
Animal bones, etc	19,878	335
Animal substances, raw	11,845	1,452
Arms:		
Sporting guns	206	18
Rifle stocks, wood	43	25
Aluminium:		
Raw	1,408	44
Manufactured	594	.....
Beer	3,583	.....
Butter:		
Fresh and salted	354	.....
Artificial	215	.....
Oleomargarine	198	183
Boots and shoes	136	42
Copper:		
Raw	14,939	2,011
Manufactured	1,036	108
Cocoa:		
Raw	5,212	38
Butter	295	.....
Manufactured	518	.....
Coffee	105,068	.....
Coal:		
Patent fuel briquets	3,741	.....
Soft lump	1,250,471	.....
Peat	1,072	.....
Clothing:		
Linen	125	.....
Hats	105	.....
Women's	8	1
Men's	37	.....
Cotton	12	.....
Woolen	29	.....
Other	3,443	16
Cement	86,665	.....
Chemical products:		
Carbonic acid	446	.....
Carbonates	15,784	.....
Nitrates	137,959	.....
Sulphates	14,060	.....
Sulphate-ammonia	13,228	.....
All other	89,194	19,454
Cotton, raw	116,617	32,931
Drugs:		
Divers	26,385	11,476
Chicory	540	.....
Glue	982	21
Fish glue	127	.....
Mineral waters	10,914	.....
Sponges	42	5
Eau de vie:		
In casks	1,246	.....
In bottles	3,540	.....

Articles.	Imports.	
	Total.	From U. S.
Food products:	*Tons.*	*Tons.*
Cheese	6	.....
Potatoes	7,294	.....
Chicory	416	.....
Peas, beans, etc	41,210	56
Salt—		
Rough	38,542	.....
Refined	20,690	.....
All other	10,906	.....
Fertilizers:		
Phosphate	15,302	4,962
Superphosphate	9,481	.....
All other	22,293	.....
Fruit:		
Green apples	116	48
Prunes	1,819	1,216
Grapes	394	.....
Dried	7,371	4,782
Furniture	1,037	222
Furs	7	.....
Fodder	29,534	12,726
Fish:		
Herrings	7,176	.....
Preserved	3,307	.....
All other	4,968	.....
Gloves	2	.....
Groceries, spices, etc	1,290	.....
Grain and grain products:		
Wheat	1,811,240	383,675
Rye	39,736	1,842
Barley	315,717	6,612
Oats	106,311	7,301
Maize	580,241	102,536
Sarrasin	6,092	1,595
Wheat flour	19,325	410
Oatmeal	545	308
Maize meal	328	121
Malt	2,761	433
Bran	29,513	1,648
Unclassified	2,532	.....
Glass and glassware:		
Bottles	17,141	.....
Common	.....	.....
Rough plate	489	.....
Polished plate	7	.....
Rolled plate	.....	.....
Window glass	128	.....
All other	966	.....
Honey	2,171	944
Hides and skins	41,128	.....
Sheep and goat, tanned	703	.....
Dyed, dressed, etc	177	49
Otherwise prepaerd	2,283	1,067
Hardware and fancy goods	9,845	1,101
Ivory	354	.....
Iron:		
Ore	339,236	.....
Old	12,189	.....
Pig	132,204	.....
Cast	12,145	.....

Articles.	Imports.	
	Total.	From U. S.
	Tons.	*Tons.*
Jute, raw	1,043	121
Lumber and wood:		
Oak and walnut—		
Logs	24,429	3,127
Split	1,513	1,234
Sawn	81,863	39,508
Miscellaneous—		
Logs	19,313	31,125
Sawn beams	22,337	16,692
Sawn	461,676	62,351
Planed	469	.....
Cabinet wood—		
Logs	4,118	161
Sawn	932	781
Miscellaneous	3,244	105
Casks	294	24
All other	2,361	157
Lead:		
Raw	65,919	2,017
Manufactured	686	.....
Linen	664	.....
Lard	13,556	12,408
Musical instruments	111	12
Machinery	44,419	8,702
Machine tools	937	48
Mineral products, raw	1,407,031	10,800
Matches:		
Wood	1,185	.....
Wax	1	.....
Meat:		
Preserved	2,973	616
Not classified	14,256	13,106
Oils:		
Cocoa	926	.....
Colza	556	.....
Cotton	9,296	2,695
Linseed	4,466	264
Maize	2,808	1,774
Olive	543	22
Sesame	231	.....
All other	695	40
Oilcloth	3,453	38
Preserves:		
In sugar	2,348	47
Vegetable	1,353	.....
Cheese	2,461	.....
Not classified	735	9
Petroleum:		
Crude	7,941	7,940
Refined	194,385	123,253
Paper:		
Wall	601	.....
Cardboard	6,129	.....
Other	11,700	.....

Articles.	Imports.	
	Total.	From U. S.
	Tons.	*Tons.*
Perfume:		
Alcoholic	72	2
Other	286	.....
Pottery:	25,758	.....
Bricks and piping		
Common tiles	213	.....
Ornamental tiles	25	.....
Cement tiles	1,121	.....
Earthen tiles	64	.....
Earthenware	672	28
Porcelain	4,158	.....
Rubber:		
Raw	7,833	72
Manufactured	616	185
Rope	640	112
Rags and cuttings	12,069	1,867
Resins and bitumen	296,554	57,286
Soap	591	117
Starch	1,126	838
Sugar:		
Raw, cane	5,322	.....
Raw, beet	3,487	.....
Sirup	248	199
Sulphur	12,717	.....
Silk	299	35
Stones:		
Slates	1,496	.....
Building	49,680	.....
Carved, polished	1,132	.....
Not classified	96,796	30,882
Thread:		
Cotton, white	11,030	.....
Wool, carded	1,753	.....
Silk	3	1
Other, for retail	504	.....
Tobacco:		
Raw	11,052	4,422
Manufactured	199	8
Vehicles:		
Railway carriages	1,426	111
Cycles, complete	62	.....
Cycle parts	161	23
Autos, complete	114	55
Auto parts	28	.....
Vegetable products:		
Oil cake	157,147	119,511
Live plants	275	.....
Wood pulp	99,612	.....
Not classified	23,872	.....
Wine:		
In bottles	908	27
In casks	17,588	.....
Zinc	5,618	.....

DECLARED EXPORTS TO THE UNITED STATES.

The following statement shows the value of the exports declared at Antwerp for the United States during the calendar years 1905, 1906, and 1907:

Articles.	1905.	1906.	1907.
Albumen	.....	.....	$6,212
Acids	$2,841	$17,408	19,165
Antimony	13,259	76,701	151,139
Bags and bagging	12,975	31,461	14,179
Basketware	65,220	60,908	95,202
Birds, live	9,265	2,099	5,832
Bleaching powder	5,176	3,998	10,111
Beer	4,419	24,933	7,778
Barytes	6,877	5,825	2,471
Books	55,542	64,466	52,213

Articles.	1905.	1906.	1907.
Brassware	$3,293	$3,048	$684
Canvas	9,364	71,771	29,559
Candles	4,505	5,595	13,090
Cement	238,202	548,124	452,963
Chemicals	32,002	95,178	334,226
Cigarette paper	880	7,669	4,564
Colors	425	6,098	1,688
Cotton goods	.....	8,364	117,037
Copper	93,083	2,669	121,522
Coffee	.....	125,395	675
Diamonds:			
Cut	4,279,105	5,585,014	5,290,519
Rough	2,187,258	2,013,760	1,053,057
Earthenware	194	940	3,646
Fertilizers	135,628	190,038	178,647
Ferromanganese	.....	208,589	96,932
Fiber, vegetable	8,549	5,696	35,938
Fruit and vegetables	.....	.....	10,043
Furniture	4,754	5,599	12,753
Gin	1,229	2,679	4,361
Glycerin	74,274	122,051	111,848
Gluestock	5,542	3,604	14,098
Gum copal	.....	.....	8,060
Glassware	129	3,602	16,829
Grease	.....	452	3,447
Hardware	635	6,098	26,975
Hair:			
Animal	29,348	32,180	13,664
Human	.....	.....	377
Hides, salted	515,903	625,425	607,312
Horses	26,118	98,264	215,835
Hosiery	.....	1,221	5,872
Household goods	.....	.....	1,517
Horns	173,126	88,218	34,870
Iron	43,085	13,887	67,535
Ivory	227,901	544,881	523,670
Laces	1,326	115	2,813
Lard	.....	.....	38,513
Leather	239	243	692
Liqueurs	547	.....	212
Linen	.....	.....	1,495
Manganese ore	71,004	.....	17,528
Machinery	183	.....	7,825
Matches	6,016	7,865	7,076
Meat extract	152,582	180,158	66,654
Naphthalin	3,227	8,387	33,213
Oil, vegetable	6,215	57,635	133,756
Paper	200,869	135,290	259,292
Paper, photograph	.....	.....	38,814
Paraffin	7,970	20,984	6,935
Pharmaceutical products	3,161	20,871	6,655
Pictures	1,058	29,080	8,302
Pigeons, live	3,138	10,541	3,653
Pitch	15,662	14,652	20,253
Plants, live	918	431	611
Preserved vegetables	36,640	86,542	109,872
Rags	8,972	10,654	29,103
Ropes, old	19,732	37,687	30,420
Rubber	4,512,740	3,577,682	2,344,269
Railway material	.....	.....	2,333
Seed	2,858	6,394	588
Sand	4,244	4,518	1,539
Steel	38,930	68,130	11,324
Sulphur	7,238	.....	1,819
Sugar	27,520	1,131,568	12,672
Stearin	.....	.....	18,567
Tar	469	1,685	511
Thread	.....	211	6,046
Tobacco	7,315	3,568	3,861
Vegetables	313	2,307	3,639
Wood	6,587	7,086	8,878
Wool	1,131,421	751,432	431,473
Wool grease	30,398	63,334	143,850
Wood pulp	.....	.....	1,694
Zinc	.....	6,103	19,656
All other articles	105,704	349,592	655,136
Total	14,684,732	16,959,011	14,209,656

IMPORTS IN WHICH THE UNITED STATES IS INTERESTED.

The total importation of the essence of turpentine during the year 1907 amounted to 43,490 barrels, as against 60,730 barrels for the preceding year, of which 34,600 barrels came from the United States, 24,985 barrels having been shipped at Fernandina, Fla.

There was a considerable stock of California prunes on the market in the beginning of the year, as the result of high prices in 1906. From May to August the dealers announced a very small crop, and were thus able to contract for quantities in Antwerp at very high prices. However, after the shipments were made, prices dropped by as much as $5 per 220 pounds, due to the financial crisis in October and November. The fruit importers here complain bitterly of the irregularity of transportation by rail in the United States, which causes serious delays in shipments and the carrying out of contracts. Business in dried apricots was practically nil, owing to the failure of the crop in California. Antwerp merchants complained of the small crop and high prices of apples, and, furthermore, that a greater part of the shipments of evaporated apples were of bad quality.

The rise in prices of the preceding year for Kongo and Angola tusks having become general, the average prices paid far exceeded those ever realized before. Importations and sales were also very satisfactory, the figures of 1906 being far surpassed. The prices of heavy and medium tusks reached their culminating point in the month of May, afterwards nearing the prices obtained at the end of 1906. Bangle tusks were constantly rising in price, the increase being about 10 per cent. Billiard-ball ivory and scrivailles benefited to the same extent by the rise. Soft Kongo ivory, less abundant this year, did not fluctuate much, excepting for billiard-ball ivory, which realized 60 francs. Senegal ivory, the importation of which also increased, showed a rise in price of 10 per cent as compared with the preceding year. The total importations amounted to about 327,800 kilos in 1907, against 287,000 kilos in 1906, 338,000 kilos in 1905, 293,000 kilos in 1904, and 327,000 kilos in 1900.

Prices of petroleum were firm during the whole year, partly on account of the rise in the United States and partly because of the firmness of freights for tank steamers. American petroleum, which, in December, 1906, sold at $3.86 per 220 pounds, rose to $4.25. Other qualities followed the movement in the same proportion. The importation of refined petroleum in 1907 amounted to 194,384,379 kilos, against 176,091,141 kilos in 1906. (Kilo=2¼ pounds.)

The imports of American resin and bitumen into Antwerp in 1907 amounted to 42,960 barrels, against 28,950 barrels in 1906. The quantity of lard imported during the year 1907 amounted to 92,156 tierces, and the stock on hand on December 31 was between 1,000 and 1,500 tierces. The high prices of American salted provisions in 1907 caused a considerable decrease in the imports, which were 60,333 cases, against 74,175 cases in 1906.

The imports of cereals in 1907 were as follows, the imports from Canada being included with those from the United States:

Kinds.	Total imports.	From United States and Canada.
	Tons.	*Tons.*
Wheat	1,618,081	378,517
Indian corn	540,616	102,482
Barley	283,705	12,700
Rye	38,720	1,635
Oats	81,436	6,738

The year 1907 was by no means as favorable to the diamond industry as the two preceding years, as will be seen by comparing the value of the declared exports from this consular district to the United States for the years 1905, 1906, and 1907, viz: $6,500,000, $5,815,644, and $5,230,518, respectively.

The Antwerp market suffered particularly, owing to the American financial crisis, although, notwithstanding the considerable decrease in shipments, the condition of the market remained firm, and the Antwerp manufacturers and dealers, in agreement with the mine owners, were able to keep up the price of cut diamonds as well as that of the rough product.

LUMBER AND HARD WOODS.

The year 1907 was very unfavorable to the lumber trade. The imports, which in 1906 amounted to 705.553 cubic meters, dropped in 1907 to 646,126 cubic meters. The following table shows the quantities of lumber imported from the United States into Antwerp during the year 1907 as compared with 1906:

Description.	1906.	1907.
Oak and walnut:	*Cubic feet.*	*Cubic feet.*
Logs	444,991	88,465
Split	8,930	5,295
Sawn	1,198,187	1,463,396
Other:		
Logs	110,842	41,508
Sawn beams	1,823,986	758,173
All others	1,906,976	1,461,898
Manufactured staves	.....	[a] 5

[a] Tons.

BOOTS AND SHOES.

It is well to advise exporters of American boots and shoes to the necessity of keeping up the quality of their goods if they wish to get any hold upon the European market. Dealers here complain that some years ago, when American boots and shoes were introduced into Belgium, the quality was most excellent, but that recently the exporters have begun to ship inferior goods. The general complaint now made is that the American article sold here takes water, due to the poor quality of material used in the soles. There is, doubtless, an excellent market in Belgium for footwear, and if exporters will give strict attention to the goods shipped, inspect every pair packed, and assure themselves that nothing but the best quality finds its way

abroad, the American product can overcome the prejudice raised against it and become popular once more. During the year 1907, 16⅛ tons of American boots and shoes were imported into Belgium out of a total of 348 tons.

TOBACCO IMPORTS.

The movement of the Antwerp tobacco market for 1907 was as follows:

Description.	Kentucky.	Virginia.	Others.
	Hhds.	*Hhds.*	*Hhds.*
Stock on January 1	401	26	.....
Imports	3,646	956	325
Total	4,047	982	325
Sales	3,513	762	275
Stock, December 31	534	220	50

The use of Java tobacco for mixing in the place of American tobacco increased to a very great extent, and over 2,000 bales were sold. Mexican tobacco was imported in much smaller quantities than usual, the stock at the end of the year being 2,808 bales as against 4,044 for the previous year. Notwithstanding the reduced prices of Manila tobacco, sales decreased; 2,246 bales were imported and sales reached 3,058 bales. No business was done in seed leaf or Brazilian tobacco during the year.

SHIPPING, EMIGRATION, POPULATION.

Although the tonnage entered at Antwerp in 1907 was larger than in 1906, the number of vessels entered was less than in 1906, viz:

Entered and cleared.	1906.		1907.	
	Number.	Tons.	Number.	Tons.
Entered	6,508	10,851,670	6,284	11,181,226
Cleared	6,496	10,824,448	6,323	11,235,333
Total	13,004	21,676,118	12,607	22,416,559

The shipping returns between Antwerp and American ports are given as follows for the year 1907:

Ports.	Entered.		Cleared.	
	Number.	Tons.	Number.	Tons.
Atlantic ports	201	926,650	183	896,921
Gulf ports	82	248,051	27	104,609
Pacific ports	11	26,104	38	92,755
Total	294	1,200,805	248	1,094,285

In shipping tonnage Antwerp stands second among continental ports, being only exceeded by Hamburg, the entrances in 1907 standing as follows: Hamburg, 12,040,461 tons; Antwerp, 11,181,226 tons; Rotterdam, 10,107,155 tons; Marseille, 6,183,934 tons, etc.

The emigrants from Antwerp in 1907 numbered 121,247, an increase over 1906 of 33,450. Of the total emigrants leaving the port 87,959 went to the United States. Belgian emigrants numbered 4,844, of which 4,250 went to the United States.

The population of Belgium on December 31, 1907, was 7,168,816, that of Antwerp and suburbs was 441,012. According to returns of the board of health, the death rate in Antwerp is the lowest of any city in Europe, viz, 13.2 per 1,000.

There are 110 regular steam navigation lines trading to and from Antwerp, 9 of which ply direct to United States ports, viz: American Petroleum Company, to New York, Philadelphia, and Baltimore; Castle Line, to Galveston; Cuban Line, to Gulf ports and New Orleans; Argo Line, to New Orleans; Red Star Line, to New York, Philadelphia, Boston, and Baltimore; Leyland Line, to Gulf ports; Phœnix Line, to New York; Puritan Line, to Boston and Baltimore; Burg Line, to Savannah, Fernandina, Jacksonville, and Charleston.

The merchandise loaded at Antwerp for export was, in 1906, 5,913,558 tons, and in 1907, 5,632,539 tons. The merchandise discharged was, in 1906, 8,388,194 tons, and in 1907, 8,813,961 tons.

INDUSTRIAL CHANGES.

For the past ten years the only marked change in the industrial developments of this district has been the establishment at Antwerp by English capital of a very successful motor-car industry. The company manufactures largely for Belgium, Holland, and England. An attempt was made to start an iron and steel industry on the banks of the Scheldt, close to Antwerp, but failed absolutely, the works now lying idle and going to ruin. Since the creation of the German cement syndicate much less Belgian cement is shipped to England and America than in former years, while the shipment of preserved vegetables and fruits from Malines is slowly but steadily increasing.

The discovery of coal in the Campine, in the neighborhood of Antwerp, and the success of the soundings, point to an industrial boom in this district within a few years. Although the public has not been appealed to ample funds have been raised for carrying out the very expensive surveys, with the result that the opening up of the coal mines is now merely a question of time. The coal will be mined within a very short distance of the river, to all practical purposes, on the river bank. This, together with the fact that the supply in the present coal district is thinning out, will most assuredly turn the attention of manufacturers to the new coal district. Antwerp will probably become a prominent coaling port.

LOW WAGES PAID WORKMEN.

The success met with by Belgium in competing with other manufacturing countries is in a measure due to the remarkable cheapness of labor. It is rare to find a workman occupying a whole house unless he lives in a rural district where rents are very cheap. The city of Antwerp, however, has of recent years built a number of what are known as "workmen's houses," large enough for one

family, and which have become popular with the working classes. As food may be said to be expensive, the workingman's family live in a great measure on bread and coffee, herrings, horseflesh and potatoes.

BRUSSELS.

By CONSUL-GENERAL ETHELBERT WATTS.

In the various branches of trade the situation during the year 1907 was generally good. In view of the fact that general prosperity has existed, and has gradually increased in this country, since the year 1900, while at the same time the production of commodities has increased with the demand, and in some cases considerably exceeded it; also on account of the stringency in the money market, there was a feeling existing among some of the more conservative business men in this city that a crisis had been reached and that a period of greater depression was likely to be felt in 1908.

The declared value of the exports from Brussels to the United States during the year 1907 amounted to $5,396,614, an increase as compared with 1906 of $494,966. The articles composing the exports for both years are given in a tabulated statement printed in a later part of this report. The declared value of exports from Brussels to the United States, Porto Rico, and the Philippine Islands during the first six months of 1908 amounted to $1,696,478, a decrease of $650,878 as compared with the first six months of 1907.

LACE INDUSTRY.

The year 1907 opened under brilliant prospects for the lace industry, and during the first months the manufacturers were kept busy executing the orders received at the end of 1906. This did not last long, however, for in the beginning of March some slackness was noticed amongst the New York buyers, thus interfering with the spring business. Gradually this situation became worse until in autumn, when the winter trade had to be considered as almost entirely lost. Although laces of every description, especially neckwear and fancy articles, such as dresses, coats, boleros, chemisettes, bows, etc., remained very fashionable, buyers were few and the summer and autumn orders were not only scarce but also very small.

Valenciennes and torchons remained in great demand all the year round. Cluny and guipure laces, made by the same hands as torchon laces, underwent a revival and large quantities of this description were manufactured and good prices paid for them. Imitation of Irish laces had also a very brisk demand, and dresses, coats, boleros, etc., were made for various markets in large numbers. Braid-made laces, princess appliqué and pure princess (a very pretty imitation of dutchess laces) remained in favor, and a combination of braids and Bruges laces with a filet ground had much success. Bretonne laces, principally the fine neat work made by skilled hands, remained in demand. Point gaze laces in general, and venise laces in particular, remained in great favor during the first half of the year and gave fairly good occupation to this class of fine needle workers. Real

appliqué laces, owing to the steady demand for light laces, were made in good quantities, and the better qualities were preferred. Many of the foreign buyers who came to Belgium toward the end of the year returned without leaving any orders, and manufacturers were obliged to reduce their production.

MISCELLANEOUS INDUSTRIES.

In automobiles and bicycles both the output and the sales were considerably reduced on account of the enormous competition and overproduction. In some establishments employees were reduced to the minimum actually required. Export was normal and prices remained steady. During the year the Brussels tramway companies put in operation two automobile lines, and several communes have added to their cab service a few automobile taximeters.

Barley was 25 per cent dearer, while the prices for beer remained unchanged. For briquets the situation was good, prices very firm, and the production was hardly sufficient to meet the demand. The Belgian railways are consuming more briquets, and the foreign trade gives satisfaction. The German competition in this business is severely felt, also the competition of a new plant in Zeebrugge (Flanders). The exportation of briquets in 1907 amounted to 425,253 tons, of which 196,571 tons were shipped to France, 58,080 to Germany, and 46,100 tons to the United States.

There was a great decrease in the exportation of cement. The exports for 1907 were 1,622,403,383 pounds, against 1,789,324,282 pounds in 1906. The outlook for the Belgian industry is not so good as heretofore.

The furniture trade was in an unusually good condition during the year, and manufacturers produced their maximum output. The exports of furniture also exceeded those of 1906.

The hosiery factories were busily employed, and in some cases it was difficult to keep pace with demands.

A quickly growing business is forming in Belgium for inverted gas burners, which are mostly made of metal. These are generally of German and English make, although some are made in this country. Several of the Brussels suburbs are making trials for the adoption of inverted gas burners for lighting the streets.

Business in plate glass was very favorable during the first six months of 1907. There was then a change, prices became unsteady and were reduced; there was also overproduction, this still being the situation at the end of the year. The total value of Belgian polished plate glass exported in 1907 was $5,019,285.

After six months' good business the situation in window glass became very unsteady. Production exceeded the demand and competition was very strong. Out of 42 glass furnaces only 15 were working. Before the close of the year an improvement was noticed in the situation. Numerous workmen emigrated to Russia, Italy, Spain, and Switzerland. The total value of window glass exported in 1907 amounted to $11,271,989.

The demand for glassware was comparatively poor, and prices were generally unprofitable. In Mons the formation of a syndicate caused prices to remain steady. In Dinant business in glass bottles was poor, but in Mons it was better and more profitable.

GLOVE INDUSTRY SUFFERS—PAPER AND RUBBER INDUSTRIES.

The kid-glove industry was very bad, particularly in the first six months, and many men engaged in it emigrated or changed trade. Since October the situation improved slowly, but could not be considered favorable.

The leather business was bad, export orders not being sufficient. The United States has not been buying in Belgium recently. Tanners had some difficulty in keeping up their prices, as buyers made propositions which were quite impossible to accept.

The match business has been very good and fair prices realized, for home market as well as for export. Exports in 1907 were valued at $819,223, and in 1906 at $784,203, an increase of $35,020.

The paper trade, both home and foreign, was satisfactory, although prices for raw material were very high. The exports amounted to 127,595,226 pounds. Up to the middle of the year 1907 the rope business was not satisfactory, but the last reports were favorable. Orders were increased and selling prices were fairly good. The best qualities of raw material were bought by American firms and were not to be found here. Metallic cables and mining cables met with ready sale. The export trade was favored, especially to Russia and Spain.

Rubber industries were not active, causing many idle employees. The value of exports was $578,284. The shoe trade was unsatisfactory until toward the close of the year, when machine-made shoes in Hainaut found sale for their full production. A large number of employees were thrown out of work. The artificial-silk industry is very flourishing. There was an increase in production and in demand in 1907. The sales of soap have given satisfaction, but prices were not profitable, raw material being very dear, but this is being reduced in price.

The beet-root crop was richer in sugar, but about 10 per cent less in weight as compared with 1906. Prices of sugar declined to $4.44 per 100 kilos (240 pounds).

EXPORTS TO THE UNITED STATES AND PORTO RICO AND THE PHILIPPINES.

The following statements show the values of exports declared at Brussels for the United States in 1906 and 1907, and for Porto Rico and the Philippines in 1907:

EXPORTS TO THE UNITED STATES, 1906 AND 1907.

Articles.	1906.	1907.	Articles.	1906.	1907.
Aniline colors	$33,560	$16,573	Paper (including wall)	$45,616	$44,191
Animals, horses	86,599	101,499	Paraffin	29,451	38,829
Books	15,674	15,242	Phosphate of lime	26,839	3,772
Cement	371,862	208,657	Rags, etc	73,906	78,560
Corsets	62,699	59,000	Rattan	20,064	16,845
Fire bricks	23,460	15,432	Rubber and manufactures of	77,298	89,300
Glass, etc	751,921	1,446,689	Silk (artificial)	167,892	131,328
Gloves	275,379	375,398	Skins	879,524	624,194
Glue, etc	103,431	157,168	Stone, flint	50,923	88,074
Glycerin	12,539	64,369	Vegetables	73,565	94,126
Hats, felt	23,505	37,791	All other articles	640,479	544,144
Hatter's fur	68,481	47,791	Total	4,903,648	5,396,614
Lace articles	310,654	436,321			
Linen goods	649,220	626,301			
Paintings	27,108	6,060			

EXPORTS TO PORTO RICO AND THE PHILIPPINES IN 1907.

Articles.	Value.	Articles.	Value.
TO PORTO RICO.		TO THE PHILIPPINES.	
Automobiles, parts of	$17,736	Iron and steel bars	$10,096
Railroad material	8,944	Cashmere	6,959
Electrical appliances	335	Iron bolts and nuts	2,956
Machinery	334	Cement	2,736
All other articles	3,938	Cotton yarns	2,329
		All other articles	5,540
Total	31,287	Total	30,616

GHENT.

By CONSUL W. P. ATWELL.

The year 1907 may be considered as having proved favorable to the trade, commerce, and industries of this consular district. The demand was regular in the greater number of industries, while in some, such as the cotton and flax spinning industries, it was better than usual. The working classes, on account of the prosperous situation in these industries, obtained an increase in wages. It should be remarked, however, that a sudden increase in the price of foodstuffs and fuel toward the latter part of the year greatly influenced the situation.

Crop reports of a very discouraging nature were received from different European countries as well as from America, thus causing a notable increase in the price of wheat. The price at one time reached a limit never known of before, and the price of bread increased from 25 to 30 per cent. The price of fuel also remained comparatively high throughout the year, due principally to the fact that the quantity now extracted by each miner is less than in former years, while the number of working hours has been decreased. The textile industries, taking advantage of the prosperous situation they were enjoying, had new mills going up on one hand, while on the other most all of the mills already in activity enlarged their already existing plants. This state of affairs brought about some difficulty in finding the necessary hands.

Very important improvements have also been made in the greater number of the mills now in activity, and it may be said that several of the more important establishments should be considered as real models from a hygienic point of view.

COTTON SPINNING.

The extraordinary prosperous situation that was found to exist in the cotton-spinning industries of this district during the year 1906 still developed in 1907, and at one time of the year it was simply looked upon as being phenomenal. The total production of the mills during the year was enormous. Prices on account of the demand were maintained relatively high, and the total output was far from being sufficient to satisfy the home demand without considering the orders received from foreign countries. Some of the more important mills demanded from eighteen to twenty months for delivery. The importation of raw cotton from the United States increased about 10 per cent. This increase was principally due to an increase in the number of spindles and a certain scarcity in the better grades of East

Indian cotton. The prices paid for the American article were in favor of the American exporter. The lowest price paid for good middling was $13.50 per 110 pounds, while the highest was $18.35 per 110 pounds. The total number of spindles increased by 42,475, and it was anticipated that the increase for 1908 would be considerably more. The total number of spinning spindles in Ghent in 1907 was 729,180, while the total number of twisting spindles was found to be 110,384, against 716,415 spinning and 108,358 twisting spindles in 1906. The total number of spinning spindles in Belgium in 1907 was 1,151,437, and the total number of twisting spindles was 199,817, against 1,108,962 spinning and 196,091 twisting spindles in 1906.

COTTON WEAVING, AND BLEACHING, DYEING, AND FINISHING.

The demand for the woven article at the beginning of the year was of a limited nature, but toward the latter part of the month of March orders became so plentiful that in many cases they covered the total production of the year. The demand for yarns was so strong that some weavers were utterly unable to obtain the necessary quantities to run from one day to another. Workmen complained of the poor quality of the yarns. Not only were yarns sold at very high prices, but a marked scarcity prevailed, thus obliging weavers to import yarns of foreign manufacture to enable them to fill orders for which they had already contracted.

No change of any importance took place in the bleaching industry during the year. The same, however, can not be said of the dyeing industry, which experienced one of the worst years on record. The principal cause was attributed to the high price of cotton. Orders were scarce, while on the other hand the constant increase in the price of raw materials made the situation still worse. A general effort was made during the year to increase prices, but the result was a complete failure. The finishing industry, on the other hand, had a relatively prosperous year. Orders were abundant, especially for export trade.

RAW FLAX AND FLAX SPINNING.

The greater quantity of raw flax offered on the Courtrai market was flax of the 1906 crop. Owing to the cold weather during the greater part of the retting season, the flax was not retted under specially favorable conditions, as would have been the case had the weather been milder. Flax imported from Holland and steeped in the river Lys possesses quality, but is rather of a poor color and is not considered as sound as the Belgian product. The 1907 Courtrai flax crop suffered considerably from heavy rains during the ripening season, while as to color it seemed to be inferior to the 1906 crop. The 1907 crop of blue Flemish flax, although a middling one, turned out fully up to expectations, and the fiber was considered superior to that of either the Dutch or French flax of the same crop. It was anticipated that the quantity of dew-retted fiber would be considerably more in 1908 than in the previous year.

The year 1907 opened under very favorable conditions for the flax spinning industry. It may be said that contracts covered the entire production of the year, while several of the more important mills contracted for the greater part of their production in 1908. Prices were very high and at one time of the year yarns were being sold at double the price of the previous year. The wages of certain classes of work-

women were increased from $2.48 to $2.90 per week, while the majority of the women working in the flax spinning mills of the district were paid $2.98 per week when working with one loom and $3.47 per week when working with two looms. The increase in wages in this industry alone amounted during the year to approximately $136,000, while at the same time the number of working hours were reduced from seventy-two to sixty-six. The prosperous situation in this industry was principally attributed to the fact that a great number of the more important mills were able to completely dispose of stocks that had accumulated.

FLAX-WEAVING INDUSTRY.

It appears that during 1907 a great number of workmen, working especially with the hand loom, totally abandoned this trade to take up that of flax stripping; besides a great number of them emigrated to Canada. In certain parts of the district there seemed to be a scarcity of work, caused solely by the utter impossibility of the weaver obtaining yarns from the spinner. Toward the latter part of the month of April the demand for yarns was so strong that some mills could not obtain sufficient yarns to fill small orders. This state of affairs was caused by the spinners exporting their yarns, thus creating a scarcity on the home market and forcing the Belgian weaver to buy foreign yarns. This situation continued until the month of June, when several mills, employing approximately 400 hands and more, were obliged to completely shut down on account of the impossibility of obtaining yarns. In other mills where the hand loom was principally used many workmen found themselves without work for the reasons above mentioned.

The trade with the United States proved very satisfactory during the first nine months of the year. Shipments of linen goods were regularly made, and very important orders were received. Toward the month of October, however, a sudden change took place. The financial crisis in the United States was the cause of the cancellation of orders. All the mills finding themselves producing to their full capacity, with no new orders, accumulated stock, and the end of the year proved disappointing to the greater number of weavers doing business with the United States. The total value of exports of linen goods to the United States from this consular district for the year 1907 amounted to $781,070, as compared with $955,175 in 1906, a decrease of $174,105.

JUTE SPINNING AND WEAVING.

Never before in the history of this industry was the price of jute so high as at the beginning of the year 1907, and in the course of a few months it more than doubled. Yarns found a ready market. Toward the latter part of the month of March there seemed to be a slight tendency to decrease, caused principally by the favorable crop reports of 1906. On the other hand, the quality was considerably inferior to that of preceding years. The demand for coarse yarns was without importance throughout the year, but toward the middle thereof there seemed to a wakening up on the market when the crop reports from India were made public. This crop, amounting to about 10,000,000 bales (4,000,000 more than the preceding year), caused prices to fall, and the yarns were once more offered at normal prices.

In jute weaving the demand throughout the year was more or less regular. Profits at the beginning of the year were nil, on account of the high price of yarns, but toward the month of November a decline took place, thus rendering the situation more profitable. The wages of workmen remained the same.

RABBIT SKINS, LUMBER, AND HATTERS' FURS.

The year 1907 was remarkable for an important decrease in the price of raw rabbit skins. This decrease began toward the month of July and continued until the latter part of the year. It seems that for some time enormous quantities of frozen rabbit skins have been imported into Belgium. These skins are, it seems, harder to work and give less satisfaction. The demand for the cheap grades of skins is decreasing from year to year. The wages of workmen remained unchanged. The total value of rabbit skins exported from Ghent to the United States during the year 1907 was $1,056,015, as compared with $1,212,531 for 1906, thus showing a decrease of $156,516.

The year 1907 proved very disastrous to the lumber trade of this district. Those principally affected were the dealers in sawed lumber of all kinds, and it is reported that very heavy losses were sustained by a great number of them. This lumber was bought very early in the season and at exceptionally high prices. During the summer months sales became difficult, principally on account of the already existing high prices, thus leaving the dealers with immense stocks on hand purchased at a high price and which, toward the end of the year, they were obliged to sell with considerable loss. The quantity of lumber imported remained approximately the same in 1907 as during the preceding year, the total number of tons in 1907 being 403,763, against 406,361 in 1906.

The first months of the year were favorable to the hatter's fur industry. The price of hair decreased, while that of the skins later on decreased considerably. Toward the end of the month of July orders from the United States became scarce, and later the financial crisis upset many business transactions. The demand from England remained unchanged until the middle of October, when a serious strike broke out there which lasted for some time, and all shipments were completely suspended until the end of the month of December. In the meantime all the manufacturers of raw materials were accumulating stocks, and a very important decrease in price resulted therefrom. Summing up the situation, it may be said that the first eight months of the year were satisfactory, while the four last ones were disastrous from all points of view. The market for hare skins seemed the most affected. The quantity of skins imported from Australia is enormous. Efforts were made on the London market to maintain prices, but great difficulty has been experienced on account of the enormous quantity offered for sale. The hair-pulling industries working for the account of English and American firms is becoming very important in this district. Wages of workmen remained unchanged throughout the year.

CEMENT AND MILLING INDUSTRIES—CEREALS.

The general situation in the cement industries can not be looked upon as having been very prosperous during the past year, as there was a continual tendency to overproduction, thus causing prices to fall. On the other hand, the price of fuel was so high as to render

the purchase thereof very costly. Stocks accumulated, and many of the important factories were obliged to limit their production. The export trade also decreased, the total quantity of cement exported from the port of Ghent in 1907 being 118,031 tons, against 152,158 tons in 1906.

The year 1907 proved very characteristic for the milling industry by continual fluctuations in prices. From time to time the demand was intense, to such an extent that orders could not be filled. Later on orders became scarcer. Shipments from Roumania sustained serious delays, and as Roumania is one of the principal furnishers of this market only small quantities, in many cases insufficient, were shipped, thus creating a more or less difficult situation. Wheat of good quality offered in October showed an increase of approximately 50 per cent, as compared with offerings in May. Flour at one time sold very high, but it must be said that orders were scarce. This continual increase stopped suddenly when the financial crisis in the United States broke out, the effects of which greatly influenced the market. It is ascertained that the mills of this district have reduced their production by from 25 to 30 per cent on account of the high price of wheat.

Speculation in wheat was unlimited at one time, and the upward movement would have attained very high limits had not the American crisis completely paralyzed all transactions for some time. The highest quotations were reached in October. The native harvest was superior to that of the foregoing year, and better than had at first been anticipated.

Prices of corn were high, but they slowly came down to a more satisfactory level.

FLAXSEED AND OIL CAKES.

The total quantity of flaxseed imported during the year 1907 from the Argentine Republic amounted to 820,000 tons, against 530,000 tons in 1906. The Russian harvest, as regards quantity, was good, while on the other hand the quantity shipped from the United States decreased by nearly one-half. The La Plata Valley is the principal country furnishing this market. The principal consumers of the seed have been the oil industries, and the price at which linseed oil was offered to the trade was considered very low, which, in its turn, compelled manufacturers to work to their full capacity throughout the entire year. Prices fluctuated approximately 20 per cent for seed from the La Plata Valley, which was offered at prices varying from $4.83 to $5.79. The lowest prices of the year were quoted for Duluth seed, which was offered regularly at $5.11 c. i. f. Antwerp.

The importation of oil cakes of Russian linseed oil considerably increased, the figures being 14,200 tons in 1907, against 7,700 tons for the preceding year. The imports of oil cakes are increasing from year to year, and the comparatively low price at which the Russian oil cakes are being sold is the principal cause for the strong demand that these cakes are now enjoying. The demand throughout the country for linseed flour has been so strong during the past year that the majority of the mills have not been able to turn out the necessary quantities to satisfy the demand. The number of establishments engaged exclusively in the grinding of cakes of foreign production is constantly increasing, and this fact would tend to show that the cattle-raising industries of the country are in a more or

less flourishing condition just at the present time. The demand for American oil cake has considerably decreased in this district, principally on account of the high prices at which it is offered.

HORTICULTURE.

It is exceedingly difficult to give an exact idea of the total amount of plants, bulbs, and miscellaneous nursery stock exported from this consular district to foreign countries. This is principally due to the fact that no accurate statistics exist on the subject. Efforts are now being made to create a horticultural bureau attached to the Belgian department of agriculture. The year 1907 may be classified among the prosperous years of this industry. Prices were remunerative and little or no stock was found at the end of the year. Palms, on account of a scarcity, were sold at very high prices. During the autumn months orders were abundant from all parts of Europe, as well as from North and South America. Countries of the northern part of Europe are purchasing more and more every year, while the quantity of plants exported to Denmark, Sweden, and Norway is also increasing in noticeable proportions. Germany, notwithstanding the high duty on plants, remains one of the important countries for Belgian exportations. Orders from France were abundant and trade with England is slightly improving.

Trade with the United States decreased considerably during the year 1907. The total amount shipped was $234,379, against $301,248 in 1906. This decrease is principally attributed to the fact that the quantity of palms shipped to the United States was considerably less than in former years. Canada is becoming a very important purchaser of Belgian plants, and the quantities shipped are already worthy of attention. The demand for begonias, gloxinias, and other plants of these species was less than for the preceding year. Prices were very low, and immense quantities were literally thrown on the market. The demand for orchids was also less than in former years. This is attributed to the fact that Ghent growers of orchids always offer the same varieties without any change whatever. There is always a good demand for new varieties. The demand for cut flowers, especially at Christmas and New Year, is very strong. Heavy frosts during the months of January and February caused serious damage to cut flowers. The wages of workmen increased slightly, while good workmen were scarce.

RAGS AND PAPER STOCK—SHIPPING.

The year 1907 proved disastrous for the rag and paper-stock industries of this district. Toward the latter part of September and the beginning of October prices fell to hitherto unknown limits. It may be said that the general decrease amounted to from 25 to 30 per cent, while on some articles it averaged from 40 to 50 per cent. Goods formerly selling at $32 per ton c. i. f. New York were offered at from $16 to $17, and still found no market. The result was that enormous stocks accumulated, and nearly all the rag and paper-stock mills were obliged to decrease their output by more than one-half. Goods were offered at very low prices without finding a market. The value of exports of rags and paper stock from this consular district to the United States during the year 1907 was $569,757, against $642,755 in 1906.

The traffic from Ghent via the principal English shipping centers to the United States is continually increasing, and there is not the least doubt that when all of the maritime improvements that are now being carried on at the port of Ghent and to the Terneuzen Canal shall have been completed Ghent will become one of the principal shipping centers for goods shipped from the western part of Belgium as well as the northern part of France.

The arrivals of sail and steam vessels at the port of Ghent during the year 1907 aggregated 849,555 tons. There were no American vessels among the number.

During the past year work on the Terneuzen Canal and port improvements seemed to make little headway. The locks at Terneuzen, the head of the canal, are not as yet totally completed. This new lock, when completed, will accommodate large trans-Atlantic cargo steamers, thus permitting the direct importation and exportation into and from Ghent of goods that are now being entered at other ports. The port and canal of Zeebrugge were completed during the year and were opened to trade on the 1st of March. A regular line of steamers is now running, with three weekly sailings, between Hull, England, and Zeebrugge.

EXPORTS TO THE UNITED STATES.

The trade with the United States did not show an increase when compared with preceding years. The total value of exports from this consular district during the year 1907 amounted to $4,069,778, against $4,445,347 in 1906, a decrease of $375,569. This decrease is principally due to the financial crisis in the United States toward the latter part of the year. The following table shows the value of articles exported from Ghent to the United States during the past three years:

Articles.	1907.	1906.	1905.	Articles.	1907.	1906.	1905.
Baskets	$14,930	$7,902	$3,366	Oils[a]	$9,697	$31,606	$12,058
Brushes	2,133	2,500	458	Plants	234,379	301,248	235,222
Chicory	51,774	36,361	37,747	Rabbit skins	1,056,016	1,212,531	650,264
Cordage	27,263	41,404	10,291	Rags and paper stock	569,756	642,755	675,716
Cotton goods	129,029	45,799	27,867	Rope	.....	2,415	7,299
Fertilizers	19,012	3,849	20,713	Sprats	33,841	57,969	45,118
Flax	709,289	900,403	691,745	Thread, linen	6,215	6,986	3,051
Flax waste	20,931	14,650	.....	Tow	2,544	39,087	18,780
Gas mantles	.....	1,988	.....	Willow, white	2,606	1,600	.....
Hatters' furs	110,952	153,124	198,153	Wine	1,579	.....	191
Lace	58,835	75,486	17,740	Woolen goods	405	1,306	.....
Linen goods	955,175	781,909	577,542	All other articles	20,876	9,734	6,626
Linoleum	.....	21,587	23,339				
Machinery	981	203	2,275	Total	4,069,777	4,445,348	3,281,603
Matches	4,804	8,706	503				
Mats, coco	18,524	25,884	10,693				
Naphthaline	7,652	8,596	4,846				

[a] Cocoanut, copra, creosote.

LIEGE.

By Vice-Consul A. Pendleton Cruger.

The straw-goods industry is located in several small villages in the valley of the river Geer, a short distance from Liege. Some years ago only straw plaits were made, but it [illegible] that this industry is dying, and even that it has c[illegible] in [illegible] he exports which to the United States alone amounted to [illegible]07. However, this does not show the total amount se[illegible]

as part of the exports to England are reexported to the United States as of English make. The making of hats has superseded that of other straw goods. Twenty years ago there was hardly a hat manufacturer of any importance in the valley of the Geer; to-day we find a great many employing many workmen and producing a large number of hats. From January to July, especially during the Easter holidays, the industry is in full swing. Immense boxes crowd the railway stations of Liers and Glons; they are shipped not only to the different cities of this country, but also to France, England, America, etc. Formerly only native-grown straw was used, but this was comparatively expensive, and nowadays Italian, Swiss, and Chinese materials, which are much cheaper, are employed, especially those from China by reason of their low price. Not only has the price of the raw material gone down, but also the manufacturing price. A few years ago a good workman had to work hard to make 2 hats in a day; to-day with a good machine he can easily make 50. The sewing of the hats has progressed together with the finishing of the same. The hat, after having been sewn, has to be whitened, washed, glued, and shaped. This finishing process used to be slow and tiresome. The hat had to be drawn onto a form, then ironed, pressed, and shaped. It took a clever workman all day to finish 20. With the press now used he can turn out a hundred and even more. Under these circumstances the price of hats has greatly decreased. It has dropped to such a point that everyone can wear them. What used to be a luxury is now an ordinary convenience.

The workshops are using machinery propelled by steam and in one case electricity. The hat makers formerly left their homes about November 1 to look for work in large cities, and returned in July. Now, generally speaking, they stay at home. There is not sufficient work for all hands, however, and some go to France, Holland, and Germany; especially to Paris, Amsterdam, and Frankfort.

It may be remarked that not only the lack of work impels them to go abroad, but also high duties (customs) in certain cases. Foreign tradesmen have to pay higher wages, in some instances as high as $2.70 a day; this, it is true, only lasts three or four months, but still the workmen find it profitable. Until quite recently, the work was exclusively done by men, but with the advent of the steam engine, women have also entered the field.

FIREARMS—LOSS OF UNITED STATES ORDERS.

The year 1907 was particularly favorable to this industry; the manufacturers had such an abundance of orders that it was almost impossible to fill them. Only one country failed to give the orders which were generally expected, viz: the United States. During the last two or three years the orders from the United States have considerably diminished on account of the sharp competition between American manufacturers. This concerns especially the single-barrel gun, which competes with the cheap gun made in Liege and of which such enormous quantities were formerly sent to the United States. Orders have fallen off about 50 per cent, and this might have had quite severe [illegible] for the Liege workmen had not such unusually heavy [illegible] ved from other countries. As matters stand, had [illegible] furnished the usual supply of orders there would [illegible] ds enough to do the work in Liege.

There has been a slight increase in prices, from which the workmen benefited. It seems that the manufacturers fearing the increase in price would weigh too heavily on the customers have in many cases preferred to reduce their profits. It may be remarked, however, that this industry rather suffers from lack of workmen than from the claims they make. The gunsmiths of Liege are, as a rule, good natured, and from the fact that they work by themselves, in their own homes, they are less liable to strike. The manufacturers found that small wages paid the workmen who did accurate work was harmful to the industry. When a few years ago they noticed that the number of skilled workmen was decreasing, they created a professional school where good workmen were turned out. But unfortunately for the organizers of this school, the other important workshops enrolled the "hands" thus prepared for adjusting, filing, etc., since for this and similar skilled labor the firearms workman is highly esteemed. Of course these workshops paid higher wages than the gun manufacturers could afford to pay or were accustomed to pay. The consequence was that they prepared excellent workmen (at this school), but other industries reaped the benefit. It is probable that in the near future the manufacturers will considerably increase the wages paid. The scarcity of hands has necessitated a circular, issued by the Syndicate of Firearms Manufacturers to their customers, explaining the delay in the deliveries and also the increase in prices.

Quite recently the proving station published the following figures, giving a comparative statement of tests made in 1906 and 1907:

Description.	1906.	1907.	Description.	1906.	1907.
Single-barreled guns	707,464	841,017	Revolvers	679,937	580,250
Flobert rifles	103,963	94,748	Muskets	173,018	251,341
Horse pistols and others	224,615	299,483	Army rifles (small caliber)	6,955	14,485
Double-barreled shotguns	563,288	615,069			
Pocket pistols	1	2	Total	2,459,241	2,696,395

EXPORTS OF FIREARMS.

The following table shows the exports of firearms by countries during the past three years:

Where exported.	1907.	1906.	1905.	Where exported.	1907.	1906.	1905.
United States of America	$172,637	$206,004	$451,831	Greece	$32,872	$26,723	$6,695
Germany	349,176	305,864	321,881	Hamburg	80,411	67,256	105,068
Australia	26,019	38,176	20,831	Italy	355,856	271,919	195,408
Austria-Hungary	129,829	127,159	126,413	Lubeck	43,575	46,161	23,189
Brazil	149,495	157,512	130,813	Mexico	18,622	19,215	17,293
Canada	41,244	24,650	32,632	Norway	19,614	23,810	12,971
Chili	20,050	22,067	16,041	Holland	80,608	48,986	43,991
French possessions in Africa	32,625	85,589	105,710	Portugal	36,252	12,016	46,164
Portuguese possessions in Africa	29,278	56,034	25,534	Argentine Republic	104,657	208,611	99,977
Denmark	73,354	68,670	36,967	Roumania	32,102	23,718	4,286
Egypt	47,886	40,472	70,733	Russia	150,803	136,798	118,899
Spain	15,411	11,031	8,386	Sweden	43,572	38,048	22,035
Kongo Free State	115,865	127,187	21,901	Switzerland	42,755	43,882	46,251
France	597,958	494,385	421,828	Turkey	64,199	59,916	82,716
Great Britain and Ireland	131,245	139,272	164,489	Other countries	154,145	86,280	99,646
				Total	3,192,116	3,017,361	2,970,828

On looking over the above table, we find for almost all countries a considerable increase in exports. During 1906 and 1907 exports to the African coast have greatly decreased. The reasons for the falling

off with the United States have been mentioned. In England the condition of the market has not been very prosperous for several years, and everyone is complaining. The port of Hamburg has lost much, because a large quantity of guns was formerly sent from there to Africa. Orders from Russia have diminished owing to the prohibition of revolvers in that country.

GUN BARRELS—TRADE WITH THE UNITED STATES.

If in latter years exportations of firearms from Belgium to the United States have greatly decreased, exports of gun barrels are steadily increasing. Gun barrels are of two kinds, the damascus barrel and the steel barrel. The former is a specialty of the valley of the Vesdre, in two or three small villages near Liege. With regard to the steel barrel, the production in general, and the exports to the United States especially, are increasing. The exports to the United States from Liege during the years 1905, 1906, and 1907 were $98,930, $108,192, and $195,411, respectively. About the end of 1907 the manufacturers of steel barrels were kept busy, the demand for barrels, especially for those known as "American," was much greater than it had been during the preceding months. Since at the same time orders for army rifles and muzzle-loaders were rather important, the situation could be termed very good. This state of affairs continued up to the month of October, when orders ceased to come in so abundantly. The great number of gun barrels for higher grade sporting and fowling rifles (fine and very fine) was a particular feature of 1907. In consequence of the scarcity of money, orders became rarer and many old ones were canceled after October. Specifications such as were given in former years during these months were wanting. This concerns especially the orders for the United States.

As has been remarked above, large quantities of army rifles have been made this year, larger than in any previous twelve months, but for the moment trade is somewhat dull. The manufacture of revolvers has not reached the level of former years, owing to the fact that exportation to Russia was reduced to nearly nothing.

On looking back over the year just closed, two facts are apparent: (1) In spite of the rise in the price of raw material, steel as well as coal, the selling prices have not increased; (2) workmen for the manufacture of sporting and fowling pieces prefer entering the automobile factories now building.

The result of this scarcity of workmen means an increase in wages, and therefore an increase in the cost price of the guns. The increase in the cost price, however, weighs more on the high-grade guns than on the lower-priced ones, those called "export guns."

PRODUCTS OF LIEGE PROVINCE.

There were, in 1907, 81 coal-mine concessions, of which 44 were in active operation and 37 were shut down. The total net production of the coal mines of the Province in 1907 was 5,779,040 tons, valued at $19,997,048. The average price per ton was $3.46. A net sum of $10,108,722 was paid for wages, representing 10,549,120 days of work, showing an average net daily pay of 95 cents per miner. The average daily production was 1,205 pounds. There were 10 plants in the Province for the production of 724,380 tons of coke, with a value of $3,971,583, equal to $5.48 per ton; 10 briquet presses also turned out 226,760 tons of briquets, valued at $1,001,023, or $4.07 per ton.

In the quarries of the Province of Liege work was carried on in 111 communes, employing 8,967 workmen, with a production in value of $2,831,335. There were 3 iron mines in operation, and the total value of the production was $68,872, while the expenses were $98,054, leaving a loss of $29,182.

There were 17 smelting furnaces in operation, which used 33,940 tons Belgian ore, 1,454,990 tons foreign ore, 160,180 tons scrap iron, etc., and consumed 716,030 tons coke and 3,540 tons coal. The production of the 17 furnaces was as follows:

Description.	Tons.	Value.
Refined iron	22,130	$320,331.75
Cast iron for Bessemer steel	88,650	1,326,817.10
Cast iron for Thomas steel	502,100	7,545,933.30
Total	612,880	9,193,082.15

There were 6 steel works in operation, which produced 751,100 tons of rough steel, valued at $15,468,381. The average value per ton was $20.59. The quantity of pig iron consumed was 271,590 tons. The mixed mills, producing refined iron and steel, numbered 15; puddling furnaces, 44; heating and other furnaces, 260. Their production of finished iron in 1907 amounted to 59,080 tons, valued at $2,069,626, and of finished steel 92,310 tons, valued at $3,615,372. There were 10 zinc works in operation, which produced 125,010 tons of raw zinc, valued at $14,706,034, and 2 lead works, which produced 20,831 tons of lead, valued at $1,951,542. The production of silver was 94,765 pounds, valued at $914,087.

EXPORTS TO THE UNITED STATES.

The following statement shows the exports declared at Liege for the United States during the calendar years 1905, 1906, and 1907:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Arsenic	$51,135	$20,311	$59,302	Pig iron	.....	$13,467	.....
Ashes (copper)	3,624	2,961	.....	Potash	.....	2,778	$22,322
Bagging (burlap)	.....	.....	1,209	Railway material	.....	.....	4,175
Bars (grill)	.....	461	.....	Rubber tires	.....	.....	5,709
Bolts and nuts	.....	1,784	.....	Sheepskins, salted	.....	12,539	133,646
Bone meal	4,659	7,027	1,309	Side arms	$760	1,097	383
Calfskins (salted)	.....	.....	12,774	Steam traps	.....	293	532
Capsules (metal, for bottles)	.....	.....	1,039	Steel:			
Card clothing	.....	1,950	6,303	Bars	.....	2,139	426
Cartridges	.....	.....	140	Beams	767	10,806	.....
Cartridge shells	1,239	444	.....	Joists	.....	2,838	.....
Cement	.....	21,971	.....	Plates	1,013	.....	.....
Church candelabra	.....	.....	194	Products, finished	.....	6,723	.....
Clip bolts	.....	.....	2,363	Steel rails	1,581	.....	1,729
Firearms	587,393	233,220	217,039	Steel sheets	.....	1,301	1,312
Fuses, safety	.....	4,814	23,125	Steel screw spikes	.....	.....	355
Glassware	175,363	180,651	180,376	Straw goods	34,867	21,027	19,264
Glue	2,960	3,365	3,703	Superphosphate	62,704	38,326	31,512
Grill bars	.....	.....	1,071	Wool grease	.....	7,675	11,081
Guard rails	362	804	.....	Woolens	.....	89,831	447,626
Gun barrels	98,929	108,192	195,411	Zinc:			
Gunpowder	8,872	.....	10,698	Dust	37,447	15,196	.....
Gunstocks	7,364	8,529	.....	Oxide	.....	28,494	40,869
Gun wads	279	469	449	Sheets	2,421	1,099	5,210
Hides	6,699	.....	.....	Japanese goods	.....	501	.....
Hones	.....	6,721	24,909	Jewelry (false)	132	.....	.....
Lamp ware	2,722	2,198	5,888	Wine	.....	130	.....
Leather goods	.....	591	.....	Wire (brass)	.....	874	.....
Locomotive parts	.....	1,769	.....				
Machinery	6,724	6,744	13,755	Totals, including articles not enumerated	1,110,704	890,282	1,519,508
Motor cycles and parts	135	7,218	18,342				
Nails	.....	318	714				
Paper	2,757	5,683	12,996				

NETHERLANDS.

INTRODUCTION.

The review of the trade conditions in the Netherlands for the calendar year 1907 as presented by the consular officers, shows that the exports from the United States to that country were larger in 1907 than in any preceding year, aggregating $107,219,325, while the imports were $29,166,388, somewhat less than in the preceding year. Two-thirds of the imports into the Netherlands from the United States merely go through in transit to Germany, Switzerland, and other countries. The exports from the United States in eight months of the year 1908 aggregated $64,206,264, or about $6,000,000 less than in the corresponding period of 1907. The imports for the same eight months reached $10,816,096, less than half those for the corresponding period in 1907.

No official returns are kept by the Netherlands Government of the value of imports, as they give only the weight of the goods, which are credited to the last country from which they came, regardless of their origin. It is somewhat difficult to make a correct estimate of the value of the imports for home consumption, but a trustworthy estimate gives the total of such imports in 1906 as $63,075,000, although the imports from the United States alone in that year aggregated $104,396,865. The transit trade is very large, amounting in 1906 to 9,392,000,000 kilos (kilo=2.2 pounds).

In the last half of the year 1907 there was a general depression in the trade of the Netherlands, and the diamond trade almost came to a standstill because of the decline in the demand from the United States. Over 50 per cent of the diamond workmen were thrown out of employment, and that industry is the leading one in Amsterdam.

There was a net increase in the shipping of the Netherlands for 1907 of 7 ships, of the aggregate of 45,261 tons, the largest increase since 1902. There were 24 steamships, of 101,050 tons, building at the close of the year, of which 19 were under construction in Dutch yards, with an aggregate of 60,250 tons.

Cereals and flour are the leading articles of import. Then follow iron and steel of all kinds, copper, textiles, wood, sugar, margarin, and paper. It would appear that the United States ought to be in a position to supply a larger proportion of these articles. Of the imports for home consumption Germany supplies 22.2 per cent, the Dutch East Indies 13.4 per cent, the United States 12.5 per cent, Great Britain 12.2 per cent, Belgium 10.5 per cent, and Russia 8.6 per cent. Of the exports, which includes the transit trade, Russia takes 48.3 per cent, Great Britain 22.4 per cent, Belgium 12.5 per cent, and the United States 4.1 per cent. Of the imports in 1907,

601,761 tons consisted of drugs, paints, and chemicals; 129,040 tons of agricultural implements and other machinery; 433,895 tons of rye; and 616,331 tons of barley. All of these articles are produced in the United States to a liberal extent, but comparatively little of them is exported to the Netherlands. The consuls say that there is a demand in that country for automobiles, bicycles, shoes, tools, gas engines and marine motors, etc., which are products that might well be supplied by the United States.

There were large supplies of tobacco from the Dutch colonies in 1907, and high prices prevailed. That was the leading article of import into the United States from the Netherlands, the value reaching over $8,000,000. Of cinchona bark there was sold at auction in the Netherlands in that year 557,285 kilos from the government estates, containing 3,698 kilos of sulphate of quinine, and 7,619,050 kilos from private estates, containing 429,156 kilos of sulphate of quinine. The unit of value of manufacturer's bark on an average for the year was 4.81 cents per one-half kilo, as compared with 4.31 cents in 1906 and 5.77 cents in 1905 (1 cent Netherlands currency= 0.4 cent United States currency).

The consuls point out the ways in which trade with that country might be increased if American exporters avail themselves of the opportunities in that direction.

REVIEW OF TRADE CONDITIONS OF NETHERLANDS.

By Consul-General Soren Listoe, Rotterdam.

The year 1907 was an unusual one in the commercial annals of the Netherlands. Owing to the means of rapid communication, characteristic of the present era, the economic conditions and commercial interests of the various countries of the world are now so closely connected and interwoven that a financial disturbance or commercial depression in one country will soon make itself felt in other countries with which it has commercial relations. The markets of the Netherlands were, during 1907, naturally affected by the economic conditions in the United States, particularly as reflected upon it from German commercial circles.

Germany for various reasons suffered perhaps more than any other country from the economic depression in America, and the relations between the German and the Netherland markets being very close and intimate, the latter naturally suffered with the former greater trade factor. It would, however, be difficult to point out which particular trade, except the diamond trade, which came almost to a standstill since October, 1907, when American orders ceased to arrive, sustained the greatest direct or indirect losses, and it can only be generally stated that all commercial branches suffered from the great universal business depression.

BUSINESS AFFECTED BY COMMERCIAL DISTURBANCES.

In looking back over the last decennials it will be difficult to discover a business year like the past one, with such violent fluctuations in prices of all trade commodities, and particularly with such a continued high money market, so many great losses caused by speculation, and with such a general rise in the price of foodstuffs and all actual necessities of life. Add hereto the dock strikes and other difficulties with the labor element, which affected several European countries and especially the Netherlands during 1907, and it must be admitted that this was a year full of trouble and anxiety for the Dutch business man. And still, as a prominent Rotterdam broker remarked: "It can not be truthfully said that 1907 was altogether a bad business year. Heavy trade fluctuations generally cause large sales and many transfers; some dealers, who sell at the right moment, make great gains, while others less lucky are suffering great losses, but between these extremes there are many interests and quite a number of operators who find their business increased to an extent of which they would never dream in an ordinary normal business year."

Altogether it can be said that no great losses were sustained by any of the larger legitimate commercial interests of the Netherlands, and the average business man looks cheerfully forward to renewed activity and increased profits in the future. The Netherlands, as is well known, is not a manufacturing country to any great extent, but the butter, cheese, and margarin factories and the gin, textile, glass, earthenware, and a few other industries have all prospered in greater or smaller proportions.

STATEMENT OF IMPORTS AND EXPORTS.

The following statement shows the quantities of the principal articles imported into and exported from the Netherlands during 1906 and 1907:

Articles.	Imports.		Exports.	
	1906.	1907.	1906.	1907.
	Pounds.	*Pounds.*	*Pounds.*	*Pounds.*
Ashes	201,722,400	204,239,200	155,515,400	147,451,000
Bark	41,522,800	46,173,600	29,950,800	34,454,200
Breadstuffs:				
Barley	1,484,309,400	1,344,928,200	1,095,687,800	1,134,783,400
Buckwheat	35,698,400	35,261,600	8,329,200	14,434,200
Corn	1,696,930,400	1,846,875,800	663,068,000	742,878,400
Farina	109,727,200	102,201,000		
Flour	476,349,400	361,385,200	40,372,200	37,857,800
Oats	944,024,400	770,457,600	814,096,600	747,168,400
Rye	1,163,580,000	954,569,000	713,147,600	641,005,200
Wheat	3,890,975,000	4,586,945,000	4,137,953,600	3,258,461,800
Coal	24,942,119,400	26,296,300,800		
Coffee	278,991,400	267,718,000	186,003,400	196,631,600
Cotton, raw	186,645,800	333,861,000	133,100,000	168,922,600
Dry goods	175,500,600	173,657,000		
Drugs, chemicals, and paints	1,227,892,600	1,323,874,200	972,415,400	994,655,400
Earthenware and porcelain	789,617,400	709,260,200	409,534,400	437,067,400
Fish	51,098,000	48,417,600	256,954,400	334,947,800
Flax and hemp	101,222,000	114,743,200	143,831,600	179,847,800
Fruit	194,690,000	139,799,000	119,561,200	142,148,600
Glass and glassware	227,686,800	130,748,200	205,605,400	202,232,800
Hides, skins, and leather	118,290,000	101,472,800	105,155,600	92,419,800
Machinery and engines	247,365,800	283,888,000	164,487,400	203,537,400
Manure	2,091,771,000	2,109,300,600	846,357,600	992,252,800
Metals:				
Raw	3,706,511,600	3,391,851,200	3,187,925,400	2,831,972,000
Manufactures	1,867,925,400	1,997,252,400	1,479,525,200	1,679,708,000

Articles.	Imports.		Exports.	
	1906.	1907.	1906.	1907.
Oil:	*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*
Cotton-seed	116,659,400	142,703,000	100,958,000	96,928,600
Fish	18,614,200	16,469,200	16,434,000	16,181,000
Oleo	120,276,200	88,259,600		
Peanut	3,619,000	3,440,800	9,970,400	10,434,600
Petroleum	1,096,414,000	1,072,293,200	630,625,000	702,578,800
Sesame, etc	43,331,200	38,616,000	45,293,600	39,507,600
Other	494,872,400	540,122,000	590,015,400	521,551,800
Palm nuts	50,516,400	82,064,400		
Paper	283,835,200	301,439,600	508,849,000	544,574,800
Peanuts	65,100,200	75,614,000	32,216,800	38,341,600
Provisions:				
Dairy products—				
Butter	4,248,200	2,028,400	56,454,200	64,884,600
Cheese			11,734,397,400	13,389,840,200
Meat products—				
Lard	93,634,200	81,835,600	63,082,800	64,592,000
Margarin	1,280,400	972,400	181,588,200	153,357,600
Meat	28,415,200	14,557,400	137,861,600	122,133,000
Tallow, grease, etc	132,296,400	128,779,200	76,859,200	88,136,400
Rice	534,678,200	546,537,200	277,145,000	306,638,200
Salt	320,685,200	332,939,200	101,519,000	117,020,200
Seeds	1,077,067,400	1,229,793,400	616,948,200	779,903,600
Spices	25,876,400	32,696,400	30,188,400	36,484,800
Spirits, wine, and malt liquors:				
Beer, etc	52,698,800	47,152,600	60,240,400	58,080,000
Spirits	51,398,600	55,959,200	112,004,200	126,519,800
Wine	162,430,400	156,655,400		
Stone	5,979,707,800	5,950,481,800	2,178,462,200	2,081,873,200
Sugar and molasses:				
Sugar—				
Raw	274,907,800	328,035,400	251,422,600	250,617,400
Other	159,612,200	178,598,200	416,347,800	409,640,000
Molasses	80,834,600	72,682,500	45,247,400	40,189,600
Tar and pitch	79,877,600	42,422,600	110,114,400	90,571,800
Tobacco and cigars	190,049,200	207,699,800	160,061,000	176,888,800
Wood, and manufactures of	5,436,343,000	5,557,503,000	3,117,655,200	3,460,864,000
Wool	90,761,000	90,569,000	76,302,600	77,807,400
Yarn	136,545,200	156,035,000	91,297,800	91,445,200

COFFEE, TOBACCO, SUGAR, AND TEA.

During 1907 there were sold at public auction by the Netherlands Trading Society 95,673 bags and 291 cases of Java coffee, and by private parties 173,641 bags and 714 cases, a total of 269,314 bags and 1,005 cases. This was a decrease of 29,388 bags and an increase of 47 cases as compared with the previous year. The cultivation of Liberia coffee in Java is not making much headway; the total crop in 1907 was about 80,000 bags, of which 47,300 bags were sold in the Netherlands, against 51,000 bags in 1906.

The consumption of coffee in Europe shows a steady increase, the total imports in the principal markets during the past three years being as follows: 1905, 8,416,000 bales; 1906, 10,518,000 bales; and 1907, 13,550,000 bales. The imports of coffee into the Netherlands from all countries during 1907 amounted to 1,609,900 bales, against 1,432,500 bales in 1906. The amount of coffee on hand in the Netherlands December 31, 1907, was 602,400 bales, against 505,000 bales in the same period of 1906.

The Dutch tobacco market, principally at Amsterdam, is pushing ahead and gaining in importance every year. The colonial tobacco is evidently the most important factor in this respect, and it is confidently expected that it will be able to maintain itself in future years. The consumption is steadily growing. The United States reports an increase in consumption, while the consumption in Great Britain increased over 5,000,000 pounds.

On account of the increasing consumption the United States has every year a less amount of its own tobacco to spare for export, and hence European countries are looking for a substitute, which they are evidently finding in the Java tobacco, and which explains why a crop of 516,000 packages, valued at $10,800,000, found ready purchasers in 1907 at figures considerably higher than were obtained in former years, when the Java crop amounted to less than half of the present one.

The general outlook for Sumatra tobacco was favorable at the beginning of 1907, and the expectations were fully realized, notwithstanding that the crop amounted to 246,830 packages, 23,000 packages more than the preceding one. The average price was 2 cents per 1.10 pounds higher. The whole 1906 crop was sold in 1907 for $24,400,000, against $21,700,000 in 1906.

The importation and consumption of American tobacco fell off considerably, owing to the high prices ruling in the United States, caused by the two successive small crops of Maryland.

The exportations of refined sugar from the Netherlands were considerably smaller during the first eleven months of the past year, 233,320,000 pounds, against 254,100,000 pounds in the corresponding period of the preceding year.

The principal market for Java tea is at Amsterdam, the receipts amounting to 132,817 chests in 1907, against 138,100 in 1906 and 142,587 in 1905. The receipts at Rotterdam during 1907 were 2,002 chests, against 3,398 in 1906 and 1,253 in 1905.

COCOA, PEPPER, HIDES, CINCHONA BARK, AND TURPENTINE.

The past year was of no small importance to the cocoa trade. The market opened calm, as the influence of the high prices of the preceding year made itself felt and caused buyers to be cautious and reserved. Prices remained firm in the first half year, but a big advance in value followed in July, owing to the fact that the arrivals of the beans continued small, and with the pressure of higher prices the manufacturers did not under these circumstances feel inclined to buy any more than was absolutely necessary for the purpose of carrying on their business. The general business depression in the autumn caused prices to recede to some extent, especially for Bahia and Acra, followed by a better tendency, the year closing easy with rather higher prices for all foreign varieties.

The Java cocoa crop was satisfactory in comparison with the production of the year before, and it is an encouraging sign that the many and continued attempts of the planters to cope with certain evils and drawbacks in connection with the cultivation of this crop have finally been crowned with success. The imports of Java cocoa into the Netherlands in 1907 amounted to 14,000 bales, a decrease of 1,000 bales from the previous year.

The total imports of pepper into the Netherlands during 1907 amounted to 53,000 bags, against 56,000 bags in 1906 and 52,000 bags in 1905.

The past year was not so favorable for Java cinchona bark as the preceding one. Prices were the lowest for many years. The imports of cinchona bark into the Netherlands in 1907 amounted to 19,734,042 pounds, producing 1,073,939 pounds of sulphate of quinine, against 18,794,197 pounds, producing 1,023,931 pounds of quinine, in 1906.

The year was unfavorable for hides. During the first six months prices rallied to some extent from the low figures at the close of 1906, and especially for prime Java hides it was not considered possible that lower prices would be quoted, as large orders for export were regularly coming in. Slowly the condition became more unfavorable. Toward the summer months purchasers began to hesitate, for the reason that an improvement in prices of leather, so as to make it correspond with the price of the raw product, could not be brought about, and the conviction commenced to gain ground that only a systematic abstention from buying raw hides could enforce more healthy condition in the trade.

The financial depression largely contributed to the unfavorable market condition. In July prices commenced to go down and continued until in December cattle hides were 20 per cent and buffalo hides about 30 per cent lower than in the middle of the summer. The imports of hides into Amsterdam during 1907 numbered 446,676, and into Rotterdam 186,387.

During the first months of 1907 prices for turpentine ruled at high figures. As soon as the new crop was offered they declined, notwithstanding the fact that a combination was formed in the United States for the purpose of strengthening the market. This combination gradually bought up to 40,000 barrels, which were stored in tanks, but the financial crisis in the United States caused prices to recede still further, and the year closed at 50 per cent lower figures than when it opened.

NAVIGATION AND SHIPBUILDING INDUSTRY.

The year 1907 was in many respects a disappointment to shipowners and others interested in ocean and river carrying trade. Not only were freight rates low, but strikes among the workingmen in the Netherlands and in foreign ports caused long delays in discharging cargoes, involving loss of time and money; this, together with the high price of coal, the increased wages of crews, and the increasing market value of provisions, were the causes why many shipowners, instead of being able to boast of good results, in many instances suffered losses. The regular freight lines were to some extent affected by the condition of things, but it was chiefly the tramp steamers engaged in general trade which suffered. This may in the course of the present year seriously affect the shipbuilding industry of this country. Aside from this the navigation facilities of the Netherlands were enlarged. The number of vessels entered at Rotterdam during 1907 was 9,221, with a tonnage of 16,555,552, against 8,467, with a capacity of 14,414,850 registered tons, in 1906, being an increase of 653 ships and 1,937,950 registered tons. At Amsterdam the arrivals were, in 1907, 2,365 vessels, measuring 3,071,730 registered tons, against 2,373 and 3,038,500 registered tons in 1906. In the beginning of 1907 it was generally expected that the Dutch steamer fleet would be considerably augmented. The subsequent dissolution of two Rotterdam shipowners' concerns caused three steamers to be transferred to Norwegian owners and five steamers to be brought under the British flag; however, the addition to other steamship companies fully compensated for this loss, and the Dutch flag is now carried by a larger number of vessels and tonnage than the year before. For the large companies running regular lines the circumstances were not so unfavorable, and nearly all the new steamers were added to their fleets.

ADDITIONS TO DIFFERENT SEAGOING FLEETS.

The Holland-American Line, in competition with the existing Cosmopolitan Line, opened a fortnightly service between Rotterdam and Philadelphia, and further kept up by chartered steamers its freight line to Newport News, Va., though the financial results derived from these two services were negative. The Steamship Company "Nederland," connecting Amsterdam and the Dutch East Indies, extended its fleet by two mail steamers of about 6,000 tons and two freight steamers of 5,500 tons, and of the latter three steamers of the same capacity are being built and will soon be ready for launching. The Rotterdam Lloyd (Rotterdam-East Indies) added two mail steamers of 5,000 tons, and is building another mail steamer of 5,200 tons and four freight steamers of 5,500 tons each, which will shortly be added to its fleet. The South America Line was during the year awaiting a decision by the Netherlands Government and Parliament upon its request for pecuniary assistance from the Netherlands treasury. Toward the end of the year a law granting an "advance" (practically a subsidy) of $1,200,000, in order to maintain direct communication between the Netherlands and Brazil and Argentina, was approved by the First Chamber of the States General.

The Java-China-Japan Line has added one steamer of 4,750 registered tons to its fleet. A request was made to the Netherlands Government to modify the existing contract so that it may become possible to run two separate lines, one to China and one to Japan; this request is a consequence of the less favorable results which are now obtained under existing conditions.

The Royal West Indian Mail Service opened a weekly regular line of steamers between New York and the West Indies, chiefly for the carrying of passengers and the transportation of bananas; four new steamers of 2,900 registered tons each were ordered, three of which have already been launched. In order to pay for these steamers the capital stock was increased $600,000 and a similar amount of bonds was issued.

The Royal Packet Company, seeking its field of labor exclusively in the Dutch East Indies, has added two steamers of 3,000 tons and two steam sea lighters of 250 tons; they are building three steamers of 1,650 tons and one twin-screw steamer of 1,900 tons. A meeting of stockholders approved the increasing of the capital stock from $4,800,000 to $6,000,000.

In 1907 there were launched from the different shipyards in the Netherlands vessels aggregating 212,000 tons. Of this tonnage 51,000 tons were for sea navigation, 160,000 tons for the inland and canal traffic, and 1,900 tons for the fishing interests. On December 31, 1907, there were 13 seagoing steamers measuring 35,000 tons, inland craft measuring 80,000 tons, and 12 fishing smacks being built in the shipyards of the Netherlands.

AMSTERDAM.

By Consul Henry H. Morgan.

The year 1907 opened very auspiciously for the trade of Amsterdam, and it was generally thought that the commerce of the country would exceed that of any other year. The conditions were very satisfactory until toward the fall of the year, when the financial crisis in the United

States and the universal money stringency had a most distressing influence upon trade in general, and both the export and import of the country decreased to a very appreciable extent. The shipping interests were far from satisfactory and the numerous strikes in the different harbors, not only in the Netherlands but in other parts of the world, had a most depressing effect upon the trade, and the high wages and the increased price of coal resulted in many voyages being made at a loss.

In reference to the shipping of Amsterdam, a most important work was completed during 1907 in the deepening of the harbor of Ymuiden and the North Sea Canal, and the illumination of the latter by electricity, for this will be of incalculable benefit to the city in the future.

The number and tonnage of vessels locked through the North Sea Canal during 1907 was 4,579, representing seagoing vessels and 21,325 of fishing and other small craft. Of this fleet none carried the American flag except a few pleasure yachts. The gross tonnage for the year was 6,683,502 for seagoing vessels and 2,088,328 gross tonnage in cubic meters for fishing and other small craft.

TRAFFIC THROUGH THE ZUIDER ZEE AND MERWEDE CANAL.

The traffic by water to the northern and eastern provinces is maintained across the Zuider Zee and the importance of this traffic is shown by the number of vessels, more than 67,000, that passed through the Oranje locks in 1906. The principal connection with the south and with Germany is formed by the Merwede Canal, which was completed in the year 1892. In a report made by the Chamber of Commerce of Amsterdam it is stated that this canal was constructed to meet the want, felt more urgently since the completion of the North Sea Canal, of a better waterway navigable for the largest Rhine ships. Since the digging of this canal, which cost upward of $8,000,000, considerable improvement has been made by the construction of a second lock at Utrecht, which was completed in the year 1906 and connects, near Gorichem, the waterway to Germany with the North Sea Canal. The length of the Merwede Canal is 45 miles, and ships 300 feet long and 31 feet wide are admitted if not drawing more than 7 feet of water. The canal is practically at the disposal of Rhine vessels free of charge. The number of vessels locked through this canal during the past year amounted to over 55,000, with a tonnage of over 6,500,000

THE DIAMOND TRADE.

Whenever there is a financial crisis in any part of the world where diamonds are bought in large quantities Amsterdam is at once affected. While the diamond trade of the country was in a very flourishing condition during the first half of 1907, in continuation of the prosperous business of 1905 and 1906, immediately after the crisis developed in the United States the diamond trade came to a standstill, and no orders were given and no shipments were made for the balance of the year. In 1905 the export of polished diamonds to the United States amounted to over $9,000,000 and in 1906 to over $11,000,000. Up to August of 1907 the export was $7,452,604, and there was every indication that the sales for the year would exceed the figures of 1906, but the close of the year showed a decreased export to the

United States of over $4,000,000 in comparison with the previous year. The other markets of the world became affected, but not to the extent anticipated, and much satisfaction was found in the fact that China and Japan, and also to a large extent Brazil, consumed large quantities of the cheaper grades of goods. For many months after the acute stage of the crisis the price of diamonds was maintained, and the fact that there was not a single failure in Amsterdam is evidence that the trade was in exceedingly strong hands.

The price of the rough diamond was still maintained, as evidenced by an invoice of rough diamonds recently bought in London for $100,000, the price of which, I am informed, was practically the same as would have been paid in 1905 or 1906. The number of workmen who have been polishing diamonds on their own account for a number of months past on account of the closing down of the large factories is partly responsible for the fact that a number of American buyers were able to pick up lots at 20 to 25 per cent below the former market value.

EXPORTS BY QUANTITIES.

The following statement shows the principal articles of import into Amsterdam, by quantities, during the past two years:

Articles.	1906.	1907.	Articles.	1906.	1907.
	Metric tons.	*Metric tons.*		*Metric tons.*	*Metric tons.*
Beer and malt extract	7,136	7,678	Paper	21,161	24,081
Coffee	16,346	18,310	Potato flour	39,333	41,031
Cotton, unspun	662	1,642	Provisions:		
Drugs, chemicals, etc	46,345	69,688	Butter	1,656	1,457
Dry goods	15,086	13,164	Cheese	6,464	6,793
Earthenware, etc	11,635	13,094	Rags	13,876	12,121
Fruit	19,468	27,526	Rattan	10,508	13,209
Glass and glassware	6,778	6,519	Rice	53,278	59,280
Haberdashery	3,906	4,417	Rice flour	9,463	9,718
Hides, skins, and leather	4,261	4,151	Spices	9,103	9,169
Iron and steel manufactures:			Spirits	5,840	6,256
Engines	10,868	15,218	Stone	15,498	19,575
Hardware	68,238	79,497	Sugar	128,628	132,534
Metals, unworked	116,981	106,184	Sulphur	5,571	8,797
Oil:			Tobacco and cigars	43,218	49,542
Petroleum	28,487	49,813	Wine	17,215	16,779
Other	20,417	19,041	Wool	3,903	3,609

IMPORTS OF GRAIN.

The imports of grain into Amsterdam during 1907, and the country of origin, are shown in the following table:

Country.	Barley.	Maize.	Oats.	Rye.	Wheat.
	Tons.	*Tons.*	*Tons.*	*Tons.*	*Tons.*
United States	.....	35,970	.....	.....	.....
Belgium	123	.....	211	.....	167
Hamburg	3,113	.....	.....	.....	6
Dutch Indies	.....	19,875	.....	.....	.....
Prussia	1,833	.....	1,773	297	308
Rio de la Plata	.....	11,225	.....	.....	12,668
Russia	2,042	8,900	693	6,913	2,510
United Kingdom	560	6	.....	361	110
British Indies	2,020	.....	.....	.....	.....
All other countries	827	333	15	.....	141
Total	10,518	76,309	2,692	7,571	15,910

The imports of linseed and other oil seeds into Amsterdam during 1907 amounted to 147,995 tons. Of this amount Java furnished 52,829 tons and Rio de la Plata 75,331 tons.

COMMERCE WITH THE UNITED STATES.

There are no statistics published in the Netherlands showing the value of the articles imported into this consular district from the United States. The figures given contain only the weight of the articles, and but an imperfect idea can be formed of the actual or even approximate amount imported from such statistics as are available, for the reason that all merchandise arriving from the United States at Amsterdam is credited as imports into the Netherlands from the United States. As a matter of fact two-thirds of these articles are destined for other countries. It is estimated that the articles imported amount to about $100,000,000 per annum. The principal articles of import are cereals of all kinds, flour, petroleum, oils of various kinds, dried fruit, raw cotton, and wood, but besides these there are evidences on all sides of a vast number of American articles which are imported and which do not appear as American imports or are grouped under miscellaneous heading, such as shoes, hats, agricultural tools and implements and farming machinery, office furniture, cash registers, safety razors, sewing machines, soaps, surgical instruments, and typewriters. All these articles have on account of their excellence sold themselves, for no effort has been made, as far as I have been able to ascertain, to sell them. There is no doubt that the Netherlands offers a splendid field for the introduction of a large variety of American articles, such as automobiles, bicycles, shoes, tools of all kinds, gas engines, and marine motors, automatic machines, steam pumps, etc., but a market will never be opened up through means of catalogues, and the experiment, which has been tried upon a number of occasions, of a combination of manufacturers appointing an agent to sell their goods from an established warehouse in Europe, has in every case of which I have any knowledge been a failure.

CLASSIFICATION OF EXPORTS.

The declared value of the exports from Amsterdam to the United States during 1907 was $20,500,859, against $24,475,946 in 1906 and $18,656,517 in 1905. The articles are shown in the following table:

Articles.	1905.	1906.	1907.
Antiquities	$25,263	$33,533	$13,600
Books and printed matter	21,638	25,721	49,102
Bulbs and plants	45,090	61,033	64,700
Cheese	116,880	154,378	132,641
Chocolate			53,852
Cinchona bark	385,371	377,145	456,995
Cloves	1,558	25,952	39,311
Cocoa, including butter and beans	703,720	1,271,322	1,220,017
Coffee	51,243	128,747	261,920
Diamonds:			
Rough	1,227,971	801,810	453,249
Polished	9,197,843	11,633,352	7,452,604
Glycerin	67,995	90,383	3,765
Hair combs	10,260	10,617	10,922
Hides and skins	345,745	515,093	310,499
Kapok	42,779	38,804	30,428
Liqueurs and gin	34,019	34,091	32,134

Articles.	1905.	1906.	1907.
Mace	$5,539	$27,440	$47,153
Magnesite	7,271	18,371	18,078
Metal caps	6,650	12,110	21,103
Nutmegs	45,431	37,194	39,653
Oil:			
Essential		39,731	46,847
Haarlem	72,494	16,569	15,664
Paint	30,869	29,221	29,714
Paintings	86,033	74,959	47,506
Paper	21,395	46,128	44,148
Pepper	3,786	58,323	33,640
Potato flour	7,718	11,509	38,005
Quinine	101,828	178,861	122,847
Rags, etc	62,749	117,687	136,895
Rattan	3,695	22,274	22,368
Rice	34,120	265,890	281,295
Seeds	158,239	183,150	200,195
Sheep casings			98,894
Tapioca flour	1,745	23,690	38,586
Tin	86,265	134,428	329,449
Tobacco	5,372,053	7,726,663	8,059,771
Vegetables in brine	9,365	6,275	5,399
Wood, teak	5,136	29,898	17,545
Wool	42,935	17,052	1,631
All other articles	213,836	197,132	209,734
Total	18,656,517	24,475,946	20,500,859

ROTTERDAM.

By Consul-General Soren Listoe.

Rotterdam enjoyed a great increase in the traffic of its harbor in 1907, notwithstanding long-lasting strikes. However, at the end of the year these favorable conditions were checked and a change for the worse made itself felt in the beginning of 1908.

The financial results of navigation were somewhat better in 1907 than in previous years; better rates of freights were quoted, but the increased running expenses, especially higher priced coal, caused the advantage of better freights to be greatly lessened.

The past year was not an advantageous one for the commerce in staple articles on the Rotterdam market; there were heavy fluctuations and decidedly lower prices, especially for metals, rubber, and cocoa; oils gave higher quotations during the first half of the year, but toward the end of 1907 were considerably lower; pepper was continually going down; coffee underwent a reduction of one-fifth of its price, but afterwards rallied to some extent; tobacco experienced a downward tendency in price, especially for Sumatra leaf, and hides were also among the articles which lost a great deal in their quotations.

In general, business was depressed the whole year owing to the condition of the money market of the great world's centers, which were shaken by the financial crisis in the United States.

The industries in this city, not so dependent, as for instance in Germany, upon banking institutions, had less cause for complaint. In building trades, however, the influence of high rates of interest made itself conspicuous.

INCREASE IN QUANTITY OF IMPORTS.

The imports into Rotterdam during 1907 amounted to 17,222,928 metric tons, against 15,692,541 tons in 1906. The principal articles are shown in the following statement:

Articles.	1906.	1907.	Articles.	1906.	1907.
Cereals:	*Metric tons.*	*Metric tons.*	Oil—Continued.	*Metric tons.*	*Metric tons.*
Barley	559,480	515,870	Groundnut	1,294	1,133
Corn	473,387	618,327	Oleo	53,808	40,538
Oats	366,033	266,106	Palm	159,101	167,525
Rye	476,553	379,187	Petroleum	396,712	368,933
Wheat	1,119,157	1,341,066	Sesame, etc	7,745	7,045
Other	203,032	282,426	Ore	5,798,139	5,857,006
Coal	1,450,661	2,735,617	Rice	85,788	64,180
Coffee	94,262	94,860	Seeds	152,643	172,716
Lard	37,546	34,379	Sugar, raw	67,921	66,293
Metals, raw and manufactured	787,196	726,803	Tobacco and cigars	36,442	40,540
Oil:			All other articles	3,311,943	3,377,889
Cotton seed	53,698	64,489	Total	15,692,541	17,222,928

EXPORTS TO THE UNITED STATES.

The value of the exports, exclusive of goods returned, declared at Rotterdam to the United States during 1907 amounted to $4,692,999, against $4,294,907 in 1906 and $2,994,122 in 1905. The items were as follows:

Articles.	1905.	1906.	1907.
Antimony		$24,059	$86,658
Antiquities	$5,558	3,533	2,229
Balances and weights	8,118	11,648	12,386
Beeswax		15,152	21,929
Books and printed matter	14,825	20,046	17,158
Brass, scrap	5,863	6,847	3,611
Bulbs and flower roots	372,520	475,029	466,398
Cheese	57,284	77,342	85,934
Chemicals	18,147	11,583	2,323
Cocoa beans, flower, and powder	37,605	141,795	50,412
Coffee	8,837	16,007	70,657
Copper ingots			65,805
Earthenware	128,229	121,890	61,574
Flax and tow	7,443	96,237	124,311
Glass and crystal ware	33,196	58,544	40,363
Glycerin	54,025	53,499	118,905
Household effects	5,864	6,838	7,461
Jute bagging	16,771	33,554	38,849
Lead			79,047
Manganese		93,083	22,155
Metals	10,064	18,741	66,312
Mineral water	2,475	3,522	3,406
Oil	5,563	18,943	7,683
Paintings	62,135	29,090	82,918
Patent medicines	12,741	30,145	9,365
Peat moss	43,159	40,755	46,404
Pitch	258	2,616	7,432
Plants	149,525	305,176	251,940
Potato flour	7,771	7,272	5,481
Rags	73,704	75,503	95,411
Rice	35,031	82,472	151,268
Rope, old	12,629	48,821	115,358
Roots, medicinal	509	4,942	8,895
Rubber, waste, crude, etc	360,732	226,251	119,772
Seeds	63,673	151,913	293,007
Silverware	26,632	28,919	18,353
Skins and hides	482,769	878,895	922,018
Spices	105,023	339,658	261,000
Straw covers	34,507	36,836	48,446
Tapioca flour	7,950	17,302	19,961
Tin	205,212	316,057	394,589
Tobacco	39,698	73,349	50,563
Vegetables in brine	5,134	19,556	25,732
Wood, and manufactures of	5,553	6,615	8,875
All other articles	466,600	266,672	199,775
Total	2,994,122	4,294,907	4,692,999
Returned American goods	41,982	37,110	204,477
Grand total	3,036,104	4,332,017	4,897,476

NAVIGATION STATISTICS.

The total number of seagoing vessels entered at Rotterdam in 1907 was 9,221, against 8,570 in 1906. The number of entries from the various countries, together with the measurement in gross cubic meters (2.83 cubic meters = 1 registered ton), are shown in the following statement.

Countries.	1906.		1907.	
	Number.	Measurement.	Number.	Measurement.
		Cub. meters.		*Cub. meters.*
United States	446	5,929,676	458	6,398,743
France	261	630,451	286	730,889
United Kingdom	3,176	9,120,215	3,722	11,911,328
Germany:				
Hanse towns	733	3,028,564	748	3,700,284
Prussia	695	1,641,358	617	1,544,417
Portugal	54	150,872	37	130,360
Russia	734	5,041,510	792	5,832,561
Spain	909	5,188,288	908	5,329,553
Turkey and Danube	181	1,431,723	190	1,560,680
Sweden	597	4,150,155	553	3,817,387
Norway	156	381,712	158	392,552
French colonies in Africa	87	628,009	88	615,214
Argentina	64	585,004	114	1,083,335
Brazil	31	380,005	42	536,927
Netherland's Indies	54	704,684	58	734,439
Other countries	392	2,246,633	450	2,633,535
Total	8,570	41,239,459	9,221	46,852,214

Of the total number of seagoing vessels, with an aggregate gross registered tonnage of 16,555,553 tons, entered at Rotterdam in 1907, 3,824, of 6,633,807 tons, carried the British flag; 1,792, of 2,951,807 tons, the German flag; and 1,598, of 2,985,720 tons, the Dutch flag.

TRADE OF THE SCHIEDAM AGENCY.

The declared value of exports from the Schiedam agency to the United States during 1907 was $1,[illegible] against $[illegible] in 1906 and $1,219,331 in 1905. The [illegible] ing statement:

Articles.	[illegible]	[illegible]	[illegible]
Books	[illegible]		[illegible]
Cauliflower	[illegible]		[illegible]
Cheese	[illegible]	[illegible]	
Fish:			
Herrings		[illegible]	[illegible]
Mackerel	[illegible]		
Gin	[illegible]		[illegible]
Glycerin, crude	[illegible]		[illegible]
Magnesite, calcined	[illegible]		[illegible]
Oil:			
Arachide	[illegible]	[illegible]	[illegible]
Fusel	[illegible]	[illegible]	[illegible]
Oil paintings, etc.	[illegible]	[illegible]	[illegible]
Rope, old	[illegible]	[illegible]	[illegible]
Vegetables, preserved	[illegible]	[illegible]	[illegible]
All other articles		[illegible]	[illegible]
Total		[illegible]	[illegible]

The exports fr[illegible] 1[illegible] during 1907 a[illegible] Kid gloves worth [illegible] cards, $113;

SWITZERLAND.

INTRODUCTION.

In reviewing the business situation in Switzerland for the year 1907 attention is again called to the lack of accurate statistics of exports to that country from the United States. The declared exports from Switzerland to this country in 1907, as returned by the consuls, aggregated $31,045,569. The exports from the United States to Switzerland, as given in the returns of the Bureau of Statistics, aggregated $618,017. Nearly all the exports to Switzerland are sent by way of Belgium, France, and Germany, and are credited to those countires.

The Swiss returns of the imports from the United States for 1907 are $13,537,821, and the exports to this country, $30,795,303. Some of the products of the United States are imported into Switzerland from foreign countries, and so credited in the Swiss returns; but making due allowance for that fact, the imports from Switzerland are much more than double the exports to that country. The imports consist largely of articles which might well be produced in this country. In 1907 the importation of embroideries reached $17,760,602; cheese, $2,107,186; watches, etc., $2,522,043; silks, $4,693,667; and cotton goods, $1,519,547. Embroideries, silks, watches, and chocolate embraced 79 per cent of the imports from Switzerland. The importation of silks has decreased one-half owing to the establishment of the industry in this country.

Exports to Switzerland apparently might be considerably increased were enough effort made on the part of the exporters in this country. The United States supplies only a little over 2 per cent of the total of manufactured goods imported into Switzerland. Commercial travelers have to be registered in that country, and last year there were 6,769 from foreign countries, of which number only one came from the United States. Swiss dealers, the consuls report, carry small stocks and do not care to wait for the fulfillment of orders sent to the United States. If our exporters could keep goods in warehouses in Switzerland, from which orders could be quickly filled, there would be a marked increase in the trade of that country.

In leather goods, ready-made cotton goods, and various other things largely imported into Switzerland the United States might well supply a considerable portion of the articles desired. Embroideries furnish a very large proportion of the goods brought to this country from Switzerland, but little progress has been made so far in establishing this industry in the United States. In Switzerland there are 6,000 power machines and 16,000 hand machines engaged in making embroideries, while the total in the United States of both

is only 616 machines. According to a report of a special agent of the United States the wages paid to persons engaged in that industry in Switzerland are much less than one-half of those paid to persons doing the same kind of work in New Jersey, and as wages embrace a large part of the cost of production, that accounts for the large importations and small production in this country.

Many American products are imitated in Switzerland with success in disposing of the goods in that country. The development of electrical power in Switzerland promises to do away in time with steam power altogether, which will be of marked benefit to that country in the production of manufactured goods.

The financial depression at the close of 1907 materially reduced imports as well as exports, and for the seven months ending with July, 1908, the imports from Switzerland were over $5,000,000 less than for the corresponding time one year ago. The consuls point out what may be done in the way of increasing trade, and their reports should prove valuable to American manufacturers.

REVIEW OF TRADE CONDITIONS OF SWITZERLAND.

By Consul-General Silas C. McFarland, St. Gall.

To the industrial depression in Europe, especially in Germany and England, gradually manifesting itself in 1907, was added, in October, the unexpected financial disturbance in the United States. The effects of these conditions in Switzerland's three best markets will not be clearly indicated until figures are assembled covering current and future business. Upon embroideries, the United States taking about one-half of the total output and the business being to a very large extent in fact American, the effect was especially severe, although the rush to avoid cancellations held up export figures to some extent during the final months. Production fell off from 30 to 50 per cent, labor being proportionally affected and prices to a considerable extent upon all new business.

THE SILK AND OTHER INDUSTRIES.

Treasury Agent Karl Kaufmann, in reviewing the chief industrial factors, estimates that for 1907 about 45 per cent of the export of silk manufactures was directed to Great Britain, 13 per cent to the United States, 10 per cent to France, 8 per cent to Austria, 6 per cent to Germany, and 3 per cent to Canada. The cost of raw material and increasing competition, especially pronounced in the United States for that market, forces specialization and compels the narrowest profit margins on staples. The extent to which conditions in this industry have changed is illustrated by the fact that the export to the United States has fallen from $8,708,560 in 1882 to approximately $4,690,000 in 1907 (last quarter estimated), and that for twenty-three years it has not exceeded $5,211,000. Future conditions are uncertain and a less hopeful feeling prevails. The industry

is also being gradually transplanted to other countries in the form of branches with Swiss capital and management and through the institution of new foreign concerns guided by Swiss experts. In Italy, France, Germany, and Austria, as well as in the United States, there are many such establishments.

While chocolate exports varied little from the figures of 1906, this industry went through a crisis, resulting in the final creation of the Union Libre des Fabricants Suisses de Chocolat for regulating conditions, fixing minimum prices, and controlling production and selling price. The price of cocoa had increased as much as 90 per cent, and the increased cost of milk, advance in wages, high interest charges, and unsettled conditions caused by individual efforts to meet these conditions, forced the remedy of concerted and uniform action. Imports have since become insignificant and foreign competition was almost entirely eliminated. After England, Germany and the United States are the chief consumers.

Watchmaking and allied branches and the manufacture of scientific and other instruments, involving both factory and house production, rank in a measure with the silk and embroidery industries. The high export figure of $28,950,000 for 1906 was not equaled in 1907, this industry suffering somewhat with all others through disturbed commercial conditions and a rise in the price of all raw materials except silver. American exports of $2,522,043 in 1907, while the highest since 1882, were about 29 per cent below those of 1872, thus also, considering the expansion of the American market in that period, forcibly illustrating the increase of watch manufacture in the United States. Germany and England are the chief customers, and special attention of late years has been paid to developing the markets of Russia, Japan, China, and South America. Contrary to general opinion, the export of hall and hanging clocks is considerably less than the import, Germany monopolizing this trade. The items of embroideries, silks, watches, and chocolate represent about 79 per cent of the total exports to the United States.

ELECTRICAL POWER DEVELOPMENT—PROPOSED CANALIZATION.

Lacking fuel, attention has been directed in recent years toward the utilization of the natural and unusual water power of the country, and great progress is recorded. The largest electrical works on the Continent are the Brillanne, in southern France, using the falls of the Durance and supplying the surrounding country from Marseille to Ventimiglia, and the Brussis Works, in Italy, supplying nearly all Lombardy with light and power. They each develop a 50,000 voltage, while the greatest in Switzerland so far is 26,000. The latest Swiss figures, however, show the present utilization of 210,000 horsepower, with an approximate reserve easily called into service of 513,000 horsepower, and an eventual supply, if necessary, of 2,000,000 horsepower. The significance of these figures is shown when, according to estimates of engineers, 125,000 horsepower would operate the entire Swiss railroad system. Swiss electrical power establishments number 41, representing a capital of $16,178,129 and employing 10,500 men. About 80 per cent of the foregoing figures are represented by four concerns.

Except for pending and proposed railway construction to improve and extend the present State system, no actual change in transporta-

tion conditions exists; but a general and intense agitation for canalization has been carried on for some time and will eventually, and to some extent at least, crystallize into action. Many of the interior navigable lakes of Switzerland show but slight difference in levels, and engineering authorities find no obstacles, except financial, to the perfection of an interior waterways system, the key to which is the connection of the navigable lower Rhine, below the falls at Schaffhausen, with the Bodensee, or Lake Constance, a relatively insignificant distance. That this initial step will soon be taken by the Swiss Government admits of no doubt, and then the transshipment by rail of the immense amount of fuel, grain, lumber, stone, etc., now brought by boat up the Rhine to the falls will be avoided. Elaborate extensions of this initial project are currently discussed in connection with the French Marseille-Rhone and the German and Austrian undertakings, such as the following canal and lake connections: Geneva-Koblenz-Basel-Bodensee, and Lyon-Geneva-Bodensee-Ulm-Regensberg-Danube. It is pointed out that in 1905 Germany's waterways accounted for about 25 per cent of her traffic, and that her system now saves some $48,000,000 in freight expenditure, and is fifteen times greater than the entire Swiss railroad traffic. As Swiss progress and development are indissolubly connected with the prosperity and growth of her manufactures, this question of cheap transportation of fuel and raw materials is paramount.

IMPORTS AND EXPORTS.

The total value of the imports into and the exports from Switzerland, exclusive of gold and silver coin, during 1907 was $331,331,392 and $228,868,961, respectively, as against imports $283,528,483 and exports $211,643,926 in the previous year. This was an increase of $47,802,909 in imports and $17,225,035 in exports. The greatest increases in imports were shown in cotton, dyes, grain, mineral products, machinery, and vehicles, while in exports the increases occurred in animal-food products, cotton, drugs, groceries, instruments, vehicles, etc. The principal articles of import showing decreases were live animals, chemicals, oils, and fats, silk, and tin, while the decreases in exports were shown in fruits and vegetables, precious metals, silk, wool, and seeds and plants.

In the following comparative statement is shown the imports and exports in detail:

Articles.	1906.		1907.	
	Imports.	Exports.	Imports.	Exports.
Aluminum	$287,269	$653,334	$152,603	$490,486
Animals, live	11,203,089	4,402,447	10,781,522	2,653,991
Animal products	839,322	191,998	870,358	247,743
Animal-food products	12,382,452	15,953,493	14,089,364	17,624,281
Beer, wine, etc	4,495,593	607,666	7,246,540	621,882
Books	3,416,764	1,145,187	3,233,163	1,206,146
Chemicals	6,244,395	1,710,407	1,476,241	1,638,965
Chinaware	413,673	131,700	437,964	93,846
Cotton, and manufactures of	21,208,156	40,706,622	27,055,892	46,912,045
Drugs	1,280,079	1,547,347	2,762,717	1,907,772
Dyes	1,658,431	2,130,192	6,477,916	2,298,739
Earthenware	730,833	57,562	827,110	54,741
Fertilizers	1,442,314	149,008	1,698,856	145,741
Fiber products	518,740	713,344	563,305	739,738
Flax, hemp, jute, etc	3,469,743	519,896	4,092,699	545,263
Fruits and vegetables	4,794,883	1,880,574	5,138,608	1,042,656

Articles.	1906.		1907.	
	Imports.	Exports.	Imports.	Exports.
Glass	$1,507,125	$74,301	$1,606,043	$84,301
Grain	30,873,598	838,396	36,813,026	923,121
Groceries	13,483,402	7,066,826	15,919,872	7,399,426
Gutta-percha	1,046,455	292,140	1,358,040	340,543
Hair	668,556	132,192	677,192	135,474
Instruments, etc	2,268,388	1,755,990	679,766	1,827,542
Iron and steel manufactures:				
Iron	18,698,625	2,598,600	20,713,842	3,226,637
Machinery	6,949,692	5,498,744	9,407,940	6,956,079
Metals:				
Copper	5,904,731	887,611	5,881,043	1,051,215
Lead	715,544	97,082	772,706	120,196
Nickel	335,156	53,958	299,135	46,280
Tin	1,610,930	88,559	1,480,488	125,529
Zinc	521,013	96,783	467,438	82,684
Metals, precious	11,318,239	4,716,466	13,984,458	3,315,053
Mineral products	17,192,907	1,447,858	20,998,406	1,530,478
Oils and fats	4,502,424	4,306,730	1,679,632	4,345,944
Ores, etc	60,145	6,642	30,938	10,239
Paper, cardboard, etc	2,532,133	546,128	2,963,310	610,324
Seeds and plants	3,813,023	574,530	5,493,764	462,147
Silk, and manufactures of	37,260,773	50,693,008	27,055,892	46,912,045
Skins and hides	7,629,529	5,325,328	7,510,348	5,416,248
Straw, cane, etc	1,367,765	2,023,745	1,060,729	1,674,137
Tobacco	2,151,178	672,240	2,619,993	749,185
Vehicles	2,087,175	12,120,618	8,916,900	14,201,377
Watches and parts	862,559	28,263,033	2,137,070	28,156,727
Wood	7,011,482	1,195,227	8,301,582	1,269,908
Wool	14,397,028	5,005,596	14,292,130	4,544,256
All other articles	12,343,172	2,764,812	31,304,845	15,127,852
Total	283,528,483	211,643,926	331,331,392	228,868,961
Coin: Gold and silver	16,431,042	582,046	3,764,779	604,202
Grand total	299,959,525	212,225,972	335,096,171	229,473,163

TRADE WITH THE UNITED STATES.

American goods of all varieties, staples, and specialties are becoming more in evidence in the stocks and show windows of retail concerns, even in remote villages. While there is no question as to this fact, general Swiss statistics do not support the theory of an increasing American trade. The explanation lies in the fact that, outside of cotton, petroleum, and bulk foodstuffs imported direct in large quantities, many specialties and miscellaneous articles reach this market through middlemen at Hamburg and other ports, for which Germany receives import credit. This is an expensive process both for the American exporter and the local importer and consumer, and must eventually be supplanted by direct importation if American manufacturers and exporters are to hold their own in competition with Europe. Swiss exporters to the United States also formerly patronized seaport shipping brokers to a great extent, and Swiss embroideries are sometimes classified as "Hamburgs," a designation derived from the fact that all such goods were formerly handled by Hamburg middlemen. That practice has been utterly abandoned, all goods now being shipped direct to purchasers or consignees under contracts executed with manufacturers or exporters here.

EXPORTS BY DISTRICTS.

The total exports from Switzerland to the United States during 1907 amounted to $31,045,569, against $27,248,556 in 1906 and $24,766,572 in 1905. The following statement shows the value of declared exports

from the several Swiss consulates and agencies to the United States during the past three years:

Districts.	1905.	1906.	1907.
Basel	$3,526,471	$3,114,782	$3,199,673
Berne [a]	1,848,452	1,710,107	1,848,554
Chaux de Fonds agency [a]	1,524,362	1,623,714	1,366,526
Geneva	1,014,653	1,231,294	1,316,876
Vevey agency	548,951	710,364	646,969
Lucerne	452,240	450,634	503,622
St. Gall	12,025,230	14,879,058	17,760,902
Zurich	3,826,213	3,528,603	4,402,747
Total	24,766,572	27,248,556	31,045,569

[a] Figures for fiscal year.

EXPORTS BY ARTICLES.

The articles of export to the United States during 1906 and 1907 were as follows:

Articles.	1906.	1907.	Articles.	1906.	1907.
Aniline colors	$798,010	$763,655	Music boxes	$43,151	$32,854
Cheese	1,833,589	2,107,186	Scientific instruments	31,508	32,850
Chemicals	180,931	182,989	Silk articles	4,117,126	4,693,667
Chocolate	666,012	500,649	Spirits	23,664	24,429
Cotton goods, etc	1,462,491	1,519,518	Straw goods	85,564	101,595
Embroideries	13,261,960	16,212,547	Watches, clocks, etc	2,409,517	2,522,043
Hides and leather	359,156	511,928	All other articles	1,327,309	1,072,010
Knit goods	502,037	547,178			
Machinery	119,352	90,676	Total	27,248,556	31,045,569
Milk, condensed	27,179	39,795			

COMMERCIAL TRAVELERS.

During 1907 there were 6,769 commercial travelers who obtained official permits to sell goods in Switzerland. Of this number, Germany sent 4,551; France, 1,411; Italy, 390; Austria-Hungary, 246; United Kingdom, 76; Belgium, 66; United States, 1; Netherlands, 23, and Spain, 5. The principal lines of trade and the number of commercial travelers representing each were as follows: Textiles, 1,955; food and food products, 788; art works, etchings, etc., 741; metal, 772, dry goods, 373; chemicals, perfumes, etc., 337; manufactured wood, 220; machines and machinery, 169; earthenware, cement, and stone, 111, and glassware, 91.

BASEL.

By Consul George Gifford.

The old Basel industry, the world-famed ribbon manufacture, passed through the most trying year of its existence. Till the comparatively recent and rapid development of the production of chemicals and dyestuffs it was the leading industry of the two Basel cantons, and furnished the main article of export to the United States. So far as America is concerned, its importance has been gradually declining for twenty years by reason of the growth of the silk industry in the United States. But the change in the requirements of fashion

and the financial crisis of the last three months of 1907, the effects of which were felt more seriously than ever in the Swiss industrial world, brought about a sharp decline in the already moderate export figures. The last quarter of 1906 showed shipments amounting to $228,148, as compared with $125,000 for the same period of 1907. The retrograde movement continued in an aggravated form into the current year, when the American export fell off in the first quarter to $106,830 from $239,784 in 1907. During April, 1908, the shipment of goods amounted to only $17,000, a sum frequently exceeded by single invoices and the lowest reached since the American business began. There is no prospect of any improvement, and some well-informed people are of the opinion that the time has arrived when the sale of silk ribbons to American customers has substantially ceased, when Basel will be called upon to furnish at most only the new designs and latest novelties for the production of which the manufacturers and their employees possess traditions and skill inherited from father to son. These advantages place them many years in advance of the rest of the world in the capacity to originate new ideas and carry them into effect.

Even if the sales to the United States should in time make complete default, the old well-established Basel ribbon houses could still maintain themselves by their German and especially their English business. England has in later years been their best customer, but exports to that country have shared the universal decline, meeting there the great additional obstacle of an unfavorable fashion.

COAL-TAR COLORS INDUSTRY.

There is no better illustration of the skill and energy of the Swiss than the establishment and brilliant success of the coal-tar colors industry in Basel. As in other branches of manufacture, the raw material must be purchased exclusively in foreign countries. The rival German manufacturers have formed a combination and are on the point of acquiring the coal itself, which is not only the elementary basis of their products, but furnishes them with motive force. The Basel factories, on the contrary, begin by the payment of the profits arising from two steps in the process of manufacture from coal to colors, pharmaceutical and other products. Yet they are able to hold their own and make their business highly successful and profitable.

The rapidly growing employment of the water power of the country for the production of electric force will soon enable them to dispense with coal as a combustible. The electric plant at Rheinfelden, already in existence, furnishes power to many establishments in a wide territory about Basel, and the projected works at Augst on the Rhine, a few miles from the city, will soon make it available for substantially the whole of northwest Switzerland and southern Alsace and Baden. When this time comes it is anticipated that the existing chemical establishments will be able to take up the new industry of extracting "bread from the air," as the process has been called by which nitrogen is separated from the atmosphere for fertilizing purposes. It is thought that Switzerland possesses extraordinary facilities for exploiting this discovery of incalculable importance. The Swiss manufacturers will be further stimulated in their purpose by the example of Norway, also a country rich in waterfalls, which is

said to be on the point of utilizing 300,000 horsepower for the production of saltpeter by the new method.

SPUN SILK WASTE INDUSTRY.

The third article in which Basel holds a leading place in the world market is spun silk waste, an industry which it virtually monopolizes, with one other great company having its seat in Lyon. The product under the name of "Schappe" or "Chappe" is largely sold to the United States and other countries chiefly for the manufacture of velvets. This monopoly it is likely to enjoy for a long time, as the process of spinning silk waste, simple as it might seem to the uninitiated, is in fact one of the most difficult industrial operations, requiring long years of careful experiment and involving great preliminary losses of capital before it can become a remunerative business. Accordingly the American trade in this article seems to be reasonably secure, but it is subject to grave and sudden variations of price, depending in part upon the manipulations of syndicates formed to control the raw material and partly on the varying demand for velvets and the price of ordinary silk yarns. The variations of price, both of the raw material and the finished product, were particularly violent during the year 1907, and had much influence on the progress of the trade with the United States.

EXPORTS TO THE UNITED STATES.

The value of the exports declared at Basel to the United States during the past three years was as follows:

Articles.	1905.	1906.	1907.
Chemicals	$76,493	$120,015	$100,615
Colors, aniline	918,155	826,953	763,656
Hides and skins	440,044	369,350	495,705
Knit goods	57,770	63,848	61,296
Silk, and manufactures of:			
Waste, spun	809,212	693,280	874,474
Ribbons	1,031,847	851,385	679,644
Watches and materials	113,268	155,517	176,194
Wine and liquors	2,971	4,749	6,714
All other articles	76,711	29,685	41,375
Total	3,526,471	3,114,782	3,199,673

BERNE.

By Vice-Consul Leo J. Frankenthal.

The consular district of Berne comprises the three Swiss cantons Berne, Fribourg, and Neuchatel, with a population of 900,000 out of a total of 3,492,000 for Switzerland. The satisfactory progress of the Loetschberg tunnel, which will form a direct route from Berne to the Simplon and connect Germany and northern France with Italy, in the financing of which both the canton and the city of Berne participated largely, has caused a considerable impetus in all lines of trade in Berne. New building projects are continually being carried out. An extension of the municipal electric car lines has been made, improvements are seen on all sides, and the quaint, quiet Berne of ten years ago has been transformed into a thriving official and residential city of 75,000 in the city proper and 100,000 inhabitants including the

surrounding communities. Other towns are Chaux de Fonds, the center of the Swiss watch industry, with a population of 42,000; Biel, 28,000; Neuchatel, 24,000; Fribourg, 20,000; and Locle, 14,000. Smaller towns are Burgdorf, Thun, Interlaken, and Langnau.

The chief industries of the district are cheese making, the manufacture of watches and their parts, and of chocolate.

The cost of living in Berne is high. Coal costs $12 a ton, butter 36 cents a pound, good eggs in winter seldom less than 36 cents a dozen, and this in a district the population of which is largely rural; while meats are very expensive. Gas for cooking purposes, furnished by the municipal gas works, costs $1.35 per 1,000 feet, and for lighting purposes 33 per cent higher. Electric lighting costs 1.25 cents per hectowatt hour. Paper has risen 25 per cent, followed by a corresponding increase in the prices of the printing trades. Labor in consequence wants higher wages, and there have been a number of strikes. The Government recognizes the situation, and for the past two years has granted yearly bonuses to various classes of government and federal railroad employees.

BANK FAILURES—THE WATCH TRADE.

The crisis in the United States naturally caused much anxiety among the banks and business houses, for Switzerland holds at least $100,000,000 in American securities. While there were bank failures in other parts of Switzerland, only one in this district may be attributed to the American crisis, that of a private bank in Neuchatel, which caused the depositors a loss of $500,000.

The watch industry suffered through cancellation of orders and the absence of new ones, although the total figures for 1907 showed an export of $26,981,000, against $27,271,500 in 1906. The 1908 figures, however, will undoubtedly show marked decreases. The export figures from this district to the United States for the last few months in 1907 and the first three months of 1908 show a decrease in watches and materials of from 30 to 50 per cent. Manufacturers are working only to supply their immediate requirements. The gold case manufacturers are selling on shorter credits. The prices, fixed by powerful associations, remain firm, and in some lines have advanced, owing to the demand for better terms by organized operatives who obtained concessions from the principals, who in turn asked higher prices from the wholesalers and large manufacturers for whom they supply goods. There were several strikes, and the case makers obtained 10 per cent increase in wages. Both jewel and spring manufacturers experienced labor troubles. Many factories are working on short time. The tendency seems to be one of waiting and extreme caution.

Through financial difficulties one automobile company ceased sending automobiles to the United States, where their agents refused acceptance of a large number of chassis previously ordered. Their export in 1906 was $50,000. The chocolate export from this district decreased, but the prices were higher, following a number of custom-house reappraisements.

IMPORTS FROM THE UNITED STATES—HOW TO INCREASE TRADE.

There are no statistics available covering the import of American goods into this consular district, but it is certain that it consumes its

proportionate share of the total imports, with the exception of raw cotton, as the cotton industry is located in eastern Switzerland. American petroleum, tobacco, cotton, some leather and oils, foods, and raw materials constitute the bulk of the American exports to Switzerland. Manufactured goods form but a small proportion, compared to our exports of the above-mentioned goods. Cash registers, typewriters, agricultural implements, office supplies, hardware, etc., have a sale that is naturally limited by the size and population of the country, and resident agents representing cash register, agricultural machines, and typewriter factories report satisfactory sales. But American goods are imitated largely, and for several years Swiss roll-top desks with divisions to fit the square Swiss documents, agricultural machines, and boots and shoes have been manufactured in this country after American patterns. American firms seeking Swiss business will find a field already exploited and will be forced to compete with other American firms in the same line that may already be represented here.

Shipments from the United States generally arrive via Antwerp, while some are sent via Marseille. Many American goods reach Switzerland indirectly through German or French agents located in those countries. There is no through bill of lading; a new one is made out at the port of arrival. A parcels-post convention between Switzerland and the United States would facilitate direct exchange of smaller articles. It is perhaps not alone by enterprise and foresight but also by reason of their favorable geographical position adjoining Switzerland that America's great competitors in this country, Germany, France, Austria, and Italy, are enabled to obtain the bulk of the trade in manufactured goods. They are in a position to place their goods in Switzerland quicker and at less cost than Americans can. American typewriters, cash registers, tools, and other manufactures will, however, always enjoy the prestige they have attained.

CLASSIFICATION OF EXPORTS TO THE UNITED STATES.

The declared value of exports from Berne to the United States during 1907 was $1,848,554, against $1,710,107 in 1906 and $1,453,114 in 1905, while those from the agency at Chaux de Fonds during the same years amounted to $1,366,526, $1,623,714, and $1,634,026, respectively. The articles are shown in the following statement:

Articles.	Berne.			Chaux de Fonds.		
	1905.	1906.	1907.	1905.	1906.	1907.
Asphaltum				$12,557	$16,215	$18,714
Cheese	$853,114	$1,008,958	$1,089,605		9	
Chocolate	157,658	145,535	125,528	56,289	68,409	40,751
Ferrosilicon	40,460	40,269	29,648		2,481	
Instruments, scientific, etc	208		135		4,488	7,068
Milk, condensed	13,803	27,179	38,347			
Straw goods	53,897	12,472	25,120			
Underwear	165,984	171,672	191,713			
Watches, and materials	155,705	249,670	329,619	1,497,017	1,514,398	1,282,744
Wine			128	4,922	8,658	8,261
All other articles	12,285	54,352	18,711	63,241	9,056	8,988
Total	1,453,114	1,710,107	1,848,554	1,634,026	1,623,714	1,366,526

GENEVA.

By CONSUL FRANCIS B. KEENE.

Until about September, 1907, conditions in this district appeared encouraging, when orders began to slow up and an impending crisis seemed evident. However, the annual returns for the district showed an increase in exports to the United States of $85,000 over 1906. The shipment of watches and materials advanced $85,000 and jewels $63,000. On the other hand chocolate, which had become a leading item, showed a decrease of $83,000.

Generally speaking, complete watches are exported less than before, but materials, especially watch jewels, which pay only a small customs duty, made here at a less cost than in the United States, are more in demand. Work grows more specialized, as in the United States, but there seems to be a feeling here that the total world's production of watches is overdone, and the decreasing orders are said to be one of the consequences of overproduction.

The consumption of chocolate was checked by higher prices, owing to increased cost of primary materials. Exports to the United States will be reduced, owing to the new plant erected there by the largest manufacturer and exporter of chocolate in this district. Swiss chocolate is known the world over for its purity and fine flavor. Its reputation caused speculation. A large factory of this district was obliged to close last year, and two successive offers at auction have not found a purchaser.

The chief producer of condensed milk and milk products established a factory in the United States, and no exports were registered in 1906 and 1907. Synthetic perfumes and essential oils show little change; chloral hydrate and phosphoric acid are shipped by a reestablished factory. Musical instruments are less favored. Gramophones and phonographs are likely to take their place in the near future.

The files of Vallorbes are appreciated everywhere, and the 1907 export figure is $3,000 higher than 1906. Radiators for motor cars, made in Geneva, have been shipped to the United States with success, but the crisis through which the automobile business is passing will probably check the exports to some important extent. The company that manufactured motor boats which won success and several races on the Lake of Geneva and elsewhere has failed, and its workshops were taken over by an automobile company. This is evidence that there is little to do in that field for American exporters.

INCREASED COST OF LIVING—TOURISTS.

The increased prices of necessities of life and luxuries have been felt greatly in the whole country, and as wages and salaries did not increase in proportion severe hardship was experienced among the middle and poorer classes. It seems that the highest prices have been reached. Already the price of milk, owing to the efforts of cooperative associations, has fallen, and it is expected that other necessities will follow the movement.

In 1907 the number of tourists was much less than in 1906. The season was too cold, with few hot days. The winter resorts are grow-

ing rapidly in popularity, sports being the attraction, thus making of certain places in Switzerland a real paradise for hotel keepers. Some summer stations like Zermatt, which have been entirely closed for the greater part of the year, are preparing to start a winter season in 1908–9.

SHIPMENTS TO THE UNITED STATES.

During the past three years the exports declared from the Geneva consular district to the United States were as follows:

Articles.	1905.	1906.	1907.
Chemicals	$52,082	$59,285	$77,265
Chocolate	313,385	445,564	362,341
Files, etc	35,839	45,478	48,687
Furs	7,892	4,983	3,094
Hides and leather	5,792	2,734	3,280
Machinery	160	.....	7,893
Musical boxes	52,175	43,151	32,853
Pearls	16,712	6,379	4,362
Radiators for motor cars	2,786	6,398	11,206
Sapphires and rubies, rough and cut	20,505	32,281	39,326
Scientific instruments	3,957	4,339	3,751
Sealskin garments	3,404	2,542	2,307
Watches and materials	294,441	373,549	458,701
Watch jewels, etc	167,801	166,916	229,151
All other articles	37,722	37,695	32,159
Total	1,014,653	1,231,294	1,316,876

LUCERNE.

By Consul Robert E. Mansfield.

The foreign commerce of this district, both in imports and exports, is of a class that is not sensitive to the influence of financial disturbances, as it consists more of articles that may be classed as stable rather than luxuries. Straw and imitation straw goods, large quantities of which are exported from this district to the United States, seem to have felt the effects of the depression very little. In silk ribbons, cotton tapes, scientific instruments, cheese, clocks, brushes, etc., there seems to have been practically no diminution of trade in recent months, and the majority of the manufacturers of these articles report that they are not apprehensive of any considerable decrease in trade during the year 1908.

Manufacturers of knit goods—lisle, silk, and cotton underwear—report that the financial situation has already had the effect of materially decreasing their export trade with the United States, and some of them take a pessimistic view of the situation for the future. The manufacturers of chocolate also complain of decreasing trade, and regard the conditions as unfavorable for this year's trade.

AMERICAN IMPORTS INCREASING—COMPETITION DIFFICULT.

The articles imported to this district from the United States cover a wide range, and come largely within the class of stable or articles of utility, such as shoes, wearing apparel, hardware, machinery, oils, druggists' sundries, toilet articles, canned goods, and other food supplies of various kinds. The demand for American imports is increasing, and the prospects for satisfactory trade from the United States in

the markets of the district for the year 1908 seem favorable. An indication of the exchange of commerce between this district and America is found in the fact that there has been no general increase in the exports, whereas the increase of imports from the United States to this market was perceptible. Although definite statistics on the import trade of the district are not available, the increase in trade is shown by the fact that many articles of American manufacture have been added to the displays in local shops in the last few years. Flour, iron, steel, lumber, shoes, and various classes of machinery may be reckoned among the more recent articles of import here from the United States.

On account of changed conditions in the industrial life in Switzerland a number of manufacturers in this consular district are planning to establish branch concerns in the United States, where they are endeavoring to enlist American capital in the enterprises. The increased cost of labor in recent years, together with high tariff duties, renders it difficult for Swiss manufacturers to compete with the local producers of like articles in the American markets. The labor question is becoming a serious problem in the industrial life of the country. Heretofore the Swiss manufacturers have been able to work along the most primitive lines and produce articles at a cost that enabled them to export to America, pay import duties, compete successfully, and make good profits, because of the comparative low wages paid their workmen and mechanics. But a series of prosperous years, a shortage of labor, and the increased cost of living have increased the wage scale in the past year or two, which necessitates a change in the methods employed in the industrial concerns in order to meet the requirements of changed conditions. As a result many of the manufacturers are putting in new and improved machinery and equipping their plants with facilities to reduce to the minimum the number of employees. These changes tend to place them more nearly upon an equal footing with competitors in other countries and lessens their opportunities for profitable business in the United States. On the other hand, the demand for articles that Switzerland requires from America is increasing.

CLASSIFIED EXPORTS TO THE UNITED STATES.

The following figures show the values of classified exports from the Lucerne consular district to the United States for the years 1905, 1906, and 1907:

Articles.	1905.	1906.	1907.
Books and pictures	$19,973	$23,233	$19,915
Brushes	1,158	1,237	1,210
Cheese	40,874	47,744	39,270
Chemicals	14,325	4,718	3,554
Chocolate	.....	4,670	57,872
Cotton goods	23,156	25,600	14,905
Knit goods	146,580	170,804	168,508
Machines	.....	4,677	295
Mathematical instruments	7,160	10,013	6,910
Oil paintings	388	2,219	322
Ribbons	35,808	29,301	62,687
Silk and half silk piece goods	5,246	14,132	.....
Straw goods	131,459	73,097	75,608
Other articles	26,113	29,189	32,566
Total	452,240	450,634	503,622

TOURIST TRAFFIC.

The tourists business, which constitutes an important item in the commerce of this consular district, was characterized by a short season last year, due to weather conditions. The limited season notwithstanding, the number of visitors to Lucerne and its environments exceeded that of the previous year. The total number of tourists registered in Lucerne from May 1 to November 1, 1907, was 192,000, about 12 per cent of the number being Americans. They spent in the aggregate $10,000,000, not counting the sums spent in shops, which was considerable. About 15 per cent of the total amount was supplied by Americans, making something like $1,500,000 contributed by visitors from the United States for pleasure and entertainment in Lucerne during the season. A considerable proportion of this amount was applied to railway fares, as many visitors buy transportation from Lucerne to Paris, London, Berlin, Rome, and other cities, involving rather large expenditures.

ST. GALL.

By CONSUL-GENERAL SILAS C. MCFARLAND.

The year 1907 was the most prosperous on record for Swiss industries generally, production and exportation reaching their highest mark. Expansion in embroidery production was perhaps the most noticeable industrial feature. The attempt to meet the growing demand caused old factories to enlarge and encouraged the establishment of many new ones, financed largely upon the expectation of a continuance of market conditions. Swiss embroidery machine factories could not fill orders and were booked for a year's advance output, and many machines were imported from Saxony.

The American financial disturbance brought about in November something of a crisis. The regular established trade had orders which would keep production to its highest limit till perhaps June, 1908, but cancellations, fixed by good judges at about one-third, were cabled from the United States, while the prospect of new business was indefinitely postponed. Bank accommodations for speculative enterprises stopped and discount rates rose to 7.5 per cent, the highest since 1870–71, but no money was obtainable from American customers for goods delivered, and, in many cases, local houses even had temporarily to meet American customs dues. The ultimate effects, however, were not as severe as at first anticipated. Substantial American firms met their full obligations at the first moment possible, and while in some instances the situation caused a demand for lower prices than those fixed by contract, a general settlement was effected without local failures. By January the situation was practically met by a reduction of about 30 per cent of working time in regular factories, in preference to the wholesale dismissal of employees, while a total standstill of many outside and house machines occurred for lack of work. Except as to curtailment of working hours, regular factory labor has not suffered so severely as house and independent workers, but in machine shops and allied concerns many thousands were thrown out of full employment. Prices, unusually high during the great demand, have suffered at the expense of manufacturers whose output represented a cost based upon prior conditions, but are

now perhaps upon a more healthy basis for future operations. Initial exports for 1908 show the effects of the disturbance, but a gradual betterment is expected.

EXPORTS OF MACHINERY—LABOR CONDITIONS.

Excluding the chief item of embroideries, the most suggestive item of export was machinery, but this is confined exclusively to embroidery machinery of the latest pattern, indicating to some extent the growth of the embroidery industry in the United States, as otherwise machinery of this class appears to be imported only from Saxony. A decrease of nearly 50 per cent since 1905 suggests either that the embroidery business is not developing in the United States or that American machine concerns are now furnishing the new machines for the home demand. The export of cheese from this district shows a heavy proportional increase, due to recent local development in that direction, and the same is true in a small way of chocolate.

Except for the temporary disturbance previously explained, labor, for the past three years, and especially for 1907, has had an exceptional market. Enough Swiss workmen, especially for factory labor, could not be obtained. Wages increased materially in consequence, and a heavy Italian immigration, especially from Lombardy, was encouraged. The cost of living, however, advanced in a greater degree than wages, resulting in a constant pressure upon manufacturers, although no serious labor disturbances occurred.

TRADE WITH THE UNITED STATES.

Embroideries—hand, hand-machine, and machine—supplemented by a small quantity of handmade laces, constitute the chief exports from this district. Notwithstanding the effect upon the industry of the recent American financial disturbance in the closing months of 1907, exports to the United States reached the highest figure in the history of the St. Gall industry, a total of $17,760,602, a gain of $2,883,454 over the figures for the calendar year 1906. The United States now takes about half of the entire embroidery product of Switzerland, and many of the producing concerns are American in fact.

During the past three years the exports declared from St. Gall to the United States consisted of the following items:

Articles.	1905.	1906.	1907.
Bolting cloth, silk	$93,140	$115,658	$11,994
Cheese	165,445	309,049	403,877
Church articles	10,611	10,580	15,325
Cotton manufactures:			
Cloth, muslin and typewriting	285,641	366,898	295,272
Embroidery	7,229,255	9,737,818	12,672,664
Laces	373,250	647,594	671,019
Collars, etc	593,005	545,608	344,723
Curtains	681,311	856,286	931,679
Embroidery, n. e. s	257,517	360,285	445,467
Handkerchiefs	846,764	690,113	762,655
Machines and parts	76,951	64,156	41,174
Silk laces and trimmings	198,940	259,273	210,924
Swisses, figured and dotted	509,292	611,202	523,909
Tidies, etc	85,765	143,761	149,957
All other articles	618,343	158,848	279,873
Total	12,025,230	14,877,129	17,760,602

ZURICH.

By CONSUL ADAM LIEBERKNECHT.

Commerce and industries in this consular district during the calendar year 1907 were normal. The principal industry in this district and business with the United States is the silk industry, which was a satisfactory and gratifying one for 1907, especially in the first three quarters. The enormous rise in price of raw silk material in 1906 had a depressing effect on the finished product, particularly in silk cloth, the export of which fell to the lowest point reached since 1901.

Raw materials go from Switzerland to the neighboring countries, in which are branch factories of Swiss industrials; also the greater part of the half-finished manufactures, half-twisted, twisted, and dyed silk for weaving purposes, of which, especially in floret silk, the United States is a good buyer. The high duties in Germany, Italy, France, Austria, and the United States obstructed the direct export from Switzerland, so that a part of their wealthy manufacturers found themselves obliged to erect establishments in these countries, and there became themselves producers, and as such good customers of their mother country for certain half-manufactured articles, threads, and specialties.

EXPORT OF SILK GOODS.

The export of silk goods from Switzerland to the United States gives a picture of fluctuations which is of deep interest. It amounted in 1864 to $4,912,222; attained its highest point in 1882 with $8,708,559; fell in 1896 to the lowest amount yet reached, $2,736,032; and rose in 1907 again to $4,693,667, which is almost the same figure as forty-four years ago.

In 1906 the manufacturers of silk bolting cloth formed a syndicate for the regulation of uniformity of prices among themselves. This was carried out in the form of an association, in which each member, in proportion of the amount of his business property, was a participant in the total value of all the manufactories. This regulation had such a purifying and ameliorating effect that in 1907 an increase of about 23 per cent took place in the export, from $648,467 in nine months in 1906 to $790,650 in 1907. The best customer is the United States; Germany follows with a small difference, and then, at a long distance, Austria-Hungary, Russia, Great Britain, Italy, and France.

The total export of the principal silk article—silk cloth—for the first three quarters of 1907 rose from $14,771,681 in 1906 to $16,173,567, and shows for this period a gain of about 9.5 per cent.

The augmentation of price of the raw product finds expression in the export figures for this and for half manufactures much more distinctly and in a higher percentage than is the case with the finished articles of the silk branch. In the former the market price dictated by the exchange is clearly visible, while in the latter, by the cheapening of the woven article by a heavier admixture of cotton with half silk and by other devices it is sought and successfully achieved to compensate for the greater dearness of the merchandise by a lowering of the quality.

Silk weaving and its secondary industries, especially in the district of Zurich, were almost to the end of last year fully occupied, and, like all the Swiss export industries, only suffered a reverse when the

American financial crisis occurred, dealing a blow at the European financial position of this industry, and the reliable and willing support of the principal credit banks rendered possible the quiet and harmless passing of the critical time and brought about no apparent reduction of the export to the United States, but, as a consequence of the greater dearness of money, and also in the manufacture for other countries, the limitation called for by the circumstances took place.

EXPORTS TO THE UNITED STATES.

The value of the exports declared at Zurich to the United States during 1907 was $4,017,794, against $3,543,387 in 1906, and $3,840,405 in 1905. The articles were as follows:

Articles.	1905.	1906.	1907.
Books	$180	$895	$3,615
Cheese	386,376	466,149	260,341
Clocks	2,614	7,088	6,440
Consommes	16,139	19,433	7,920
Cotton manufactures:			
Piece goods	14,767	314,463	539,450
Yarn	13,485	69,214	79,486
Gelatin	9,054	18,672	9,795
Household effects	903	1,415	4,720
Instruments, scientific	7,481	10,040	27,530
Knit goods	56,096	90,302	72,079
Machinery	29,309	48,128	25,104
Silk, and manufactures of:			
Raw			70,714
Cloth, bolting	101,692	129,403	167,541
Piece goods, including half silk	3,121,020	2,316,490	2,667,939
Shawls	8,843	6,374	5,095
Other	51,978	4,372	321
All other articles	20,468	40,949	69,704
Total	3,840,405	3,543,387	4,017,794

AUSTRIA-HUNGARY.

INTRODUCTION.

The review of the trade conditions in Austria-Hungary during the year 1907 shows that there was an increase of $15,000,000 in the imports and a decrease of $10,000,000 in the exports, as compared with the preceding year, but the general trade conditions of the two countries are said to have been very good. The long uncertainty resulting from the failure to renew the commercial agreement between Austria and Hungary which was ended in 1906 no longer retarded the trade of both countries. Trade with the United States in 1907 increased, the exports from Austria-Hungary showing a growth of $1,327,817 during the year. According to the statistics of the United States, the imports from Austria-Hungary increased $1,705,019 in 1907 and the exports to that country $1,361,586, the total imports reaching $16,621,524 and the exports $15,590,861. For the eight months ending with August, 1908, the imports, as compared with the corresponding time in 1907, decreased $1,685,300 and the exports $26,098.

The foreign trade of Austria-Hungary for the calendar year 1907 was greater than that in the preceding year, but the increase was less than in previous years. The imports for the first time since 1898 exceeded the exports, the amount being $2,500,000. Owing to the new duties imposed the imports of foodstuffs greatly decreased, followed by a rise in prices of meat and breadstuffs. The cattle, hogs, and corn imported were each in value only one-tenth of what they were two years previously. The raw cotton imported amounted to 217,951 tons, of a value of nearly $50,000,000. Over 67 per cent of the cotton came from the United States, 23 per cent from India, 7 per cent from Egypt, and 3 per cent from various other countries. The American cotton is brought into the country chiefly through the German port of Bremen, but efforts are being made by the Austro-Hungarian Government to divert that trade to a Mediterranean port. Both Austria and Hungary encourage by bounties and subsidies to ships and shipbuilding the growth of their merchant marine, and also pay bounties to encourage new industries.

Hungary, by a law passed in January, 1907, has been giving generous aid in the development of manufactures, but has met with some discouragement because of the lack of labor, due in a considerable degree to the large emigration from that country to the United States. Over 58 per cent of the population of the Austro-Hungarian Empire is engaged in agriculture, forestry, and fishing, and 17 per cent in manufacturing and mining. A larger proportion of the inhabitants of Hungary are engaged in agriculture than is the case in Austria, which is the reason for the greater efforts on the part of Hungary to establish industries in that country. Over 66 per cent of the bread-winners in Hungary are engaged in agriculture, and only 12 per cent in other industries. The trade of Hungary is largely with Austria, Germany coming next in order.

So far as the foreign trade goes, the Austro-Hungarian Empire belongs to the group of industrial countries whose exports consist chiefly in manufactured goods paid for by imports of natural products. The latter, however, are materials required for manufacture. The imports are largely of goods such as the United States produces, though aside from cotton comparatively little is imported from this country. Bohemian manufacturers admit that they are unable to produce cut glass equal to that produced in the United States, but owing to the much higher wages paid in this country exports of glass are comparatively unimportant.

The consuls state that there is a market in the Empire for American products if rightly cultivated, and particularly an opening for American coal, but efforts to increase exports made by a few manufacturers have not met with satisfactory results. The fact that in ten

years the deposits in the post-office savings banks have trebled seems to show a fair degree of prosperity among the workingmen in the Empire, though the steady increase in the tide of emigration to the United States makes it clear that superior attractions exist in this country.

REVIEW OF TRADE CONDITIONS OF AUSTRIA-HUNGARY.

By CONSUL-GENERAL WILLIAM A. RUBLEE, VIENNA.

Industrial and commercial conditions continued to be favorable in Austria during the year 1907, only a few industrial enterprises showing slight decreases in business. Prosperity was evidenced by a number of new enterprises, the expansion being particularly noticeable in the textile industry. There was unusual activity in the great iron and steel and machinery establishments, causing the employment of a considerably larger number of persons than in the previous year. Similar conditions prevailed in the electrical, leather, porcelain, and wood-working industries. Less favorable results were especially noticeable in the glove industry, while the shoe industry also did not participate in the general expansion of trade. Toward the close of the year there was a considerable falling off in the volume of business, but orders were so large that the effect was not seriously felt. Production had, in fact, been so greatly stimulated by prosperous times that a scarcity of labor was felt in most of the manufacturing centers of Austria. At the same time the marked tendency toward increased wages manifested itself in all branches of industry. According to the official estimate of the government factory inspectors wages averaged between 10 and 30 per cent higher than in previous years.

INCREASED IMPORTS BUT DECREASED EXPORTS—TRADE OUTLOOK.

The balance of trade as shown by the statistics of commerce and trade for Austria-Hungary during 1907 was less favorable than in recent years, but these reduced figures are not looked upon as being significant of trade retrogression. On the contrary, it is pointed out that the year shows a most satisfactory industrial development. The imports of raw material increased largely to supply the demands of the busy factories, while exports of agricultural products decreased materially. This would account to a considerable extent for the less favorable balance of trade.

The figures of foreign commerce for the last five years, those for 1907 being the provisional statistics, as the corrected ones are not yet available, show the following volume of trade for the dual Monarchy:

Year.	Imports.	Exports.	Total.
1903	$375,362,880	$425,956,133	$801,319,013
1904	409,580,179	417,733,718	827,313,897
1905	429,226,662	448,755,902	877,982,564
1906	455,757,922	474,279,354	930,037,276
1907	460,729,713	463,904,438	924,634,151

Austria has good reason to look forward to a period of settled and steady progress. The internal politics of the Empire have been placed upon a stable basis by a trade agreement between Austria and Hungary which is to be in effect during the next ten years. By this trade agreement the Hungarian market is open to Austrian goods at least during the period it remains in effect, and this definite settlement of a long-existing uncertainty is bound to have a stimulating influence on trade between the two halves of the Empire. It is hoped that during this period of ten years much may be accomplished to avoid future trouble. It is proposed to give particular attention to the development of Austria's export trade in order to become more independent of the Hungarian market. With this end in view, it is the opinion of those interested in commerce and trade that new commercial treaties should be negotiated with countries offering especial opportunities to Austrian trade. Not only are treaties to be considered with neighboring states, but trade with South American countries is desired, especially with Argentina. A commercial treaty with Argentina has been suggested by leading Austrian exporters.

INCREASED TRADE WITH THE UNITED STATES.

Trade between Austria-Hungary and the United States during 1907 was on a somewhat larger scale than usual. The official statistics for the year have not yet been issued by the Austrian Government, the only figures so far obtainable being general statistics. It is, therefore, impossible to state in what articles the imports into Austria-Hungary from the United States have increased. It is, however, certain that the imports of raw materials are greater and the imports of manufactured goods are also likely to show a moderate increase. Since the business depression in the United States late in 1907 there were more sales of manufactured goods, as they were offered at lower prices. At the same time there was a manifest tendency on the part of American manufacturers to give more attention to the Austrian market. Sales of leather, tools, machinery, shoes, and typewriters have in particular been encouraging. That many other articles, either not imported at all or in small quantities, would find a good market in Austria is probable. A well-known American plow firm sent its representatives to Austria this year to investigate market conditions. After looking over the situation the firm decided not to enter the field, though there is an excellent opportunity for business in this line. German plows are sold in great quantities, while there is not an American plow sold in Austria. American plows would sell quite as readily, but the American plow manufacturers do not care to meet the requirements of the market. There is not only a market for American plows, but agricultural implements generally could be sold to a larger extent than at present. In American shoes the trade is not on a large scale, but wherever sold the American article has established itself in popular favor. It is reported that the Austrian shoe manufacturers are considering a movement toward placing shoes made in imitation of American footwear on the market at a very low price. However, nothing was done toward the organization of such a combination. The oppor-

tunities for the extension of American trade in this country are worth cultivating to a greater degree than is the case at present. There has not been until lately any marked increase of effort on the part of American exporters to take advantage of these opportunities and the trade will show no appreciable increase until it is more industriously sought after. The exports from Austria-Hungary to the United States showed an increase of $1,327,817 during the year 1907.

CLASSIFICATION OF IMPORTS AND EXPORTS.

The total imports into and exports from Austria-Hungary during 1906 and 1907 are shown in the following statement, the figures for 1907 being provisional:

Articles.	Imports.		Exports.	
	1906.	1907.	1906.	1907.
Animals (except neat cattle)	$3,799,440	$4,204,571	$5,493,855	$5,172,562
Animal products	36,451,414	33,319,271	41,135,074	43,298,994
Art and literary objects	11,462,734	10,438,364	5,823,005	5,564,504
Base metals, and manufactures of	23,763,862	24,839,696	14,498,484	13,693,260
Brush and sieve makers' products	237,050	262,328	611,345	519,013
Candles and soap	221,808	305,435	522,345	464,125
Cattle (neat)	7,412,426	1,979,841	19,890,661	13,857,180
Chemicals, acids, etc	8,741,571	9,655,771	7,301,053	7,623,598
Chemical products	7,097,225	3,349,425	2,302,478	1,119,645
Clothing	4,032,129	3,242,794	14,683,503	17,024,011
Coffee, tea, etc	12,724,922	13,812,282	1,750	5,462
Cotton, yarns, and manufactures of	54,976,984	61,685,028	15,078,306	15,593,938
Drugs and perfumes	474,224	680,060	202,032	200,516
Dyeing and tanning material	368,416	3,042,552	2,447,124	2,044,576
Electric machinery and apparatus	1,866,258	2,690,338	1,147,509	1,562,032
Fats	8,536,883	6,881,242	4,574,315	4,274,194
Flax, hemp, jute, etc	16,108,632	16,669,183	13,359,021	11,574,105
Foods	6,145,322	5,704,708	1,870,381	2,173,583
Fruits, vegetables, plants, etc	18,990,362	19,890,820	15,007,109	16,316,691
Furs, and manufactures of	3,210,138	2,785,972	1,581,870	1,445,140
Glass and glassware	1,219,163	1,027,615	15,529,260	13,531,718
Grain, leguminous plants, flour, etc	11,240,666	7,146,594	33,252,185	30,268,614
Gum and resin	4,618,255	4,728,541	1,847,546	1,822,938
Instruments, clocks, and fancy goods	10,367,793	8,584,585	4,918,099	2,516,083
Iron and hardware	7,826,179	9,070,906	15,507,664	11,770,418
Leather, and manufactures of	14,003,520	12,934,533	14,509,480	12,834,276
Machinery and apparatus	14,721,960	17,480,719	5,432,863	4,770,906
Matches	77,635	72,744	2,949,899	1,446,307
Minerals	8,033,328	8,509,198	9,059,408	8,926,156
Mineral oils and brown coal	729,485	808,610	4,698,533	3,947,033
Oilcloth and oil silk	347,951	325,004	274,896	246,827
Oils	4,544,221	2,751,510	72,208	49,952
Paper, and manufactures of	6,050,022	4,763,655	13,196,679	13,980,550
Pottery and porcelain	1,211,339	1,225,564	5,500,802	6,209,696
Refuse	5,263,839	5,902,289	6,180,496	8,458,586
Rubber, gutta-percha, etc	6,768,031	6,936,800	3,199,961	3,305,797
Salt	127,609	133,531	37,073	38,778
Silk, and manufactures of	20,903,515	20,081,079	7,477,000	8,168,987
Spices	1,548,957	1,632,530	48,622	43,533
Stone, and manufactures of	2,511,121	1,653,173	1,337,773	1,211,494
Straw and chip goods	2,732,871	2,553,397	569,959	735,398
Sugar	17,404	26,970	38,524,022	39,624,320
Tobacco	9,406,227	6,974,187	2,011,723	2,458,018
Tropical fruits	7,666,938	8,489,263	666,492	789,583
Turners' and carvers' products	4,049,143	4,322,383	753,598	797,962
Vehicles	986,526	1,892,813	2,049,202	3,484,108
Wines, liquors, etc	2,260,454	2,086,090	7,817,010	7,573,356
Wood, coal, and peat	29,571,325	41,218,501	72,786,588	75,610,898
Wood and horn manufactures	3,981,349	4,061,282	14,276,199	15,088,524
Wool, and manufactures of	45,749,296	47,975,387	22,082,974	21,266,493
Total	455,757,923	460,729,714	474,279,354	463,904,438

AUSTRIA.

CARLSBAD.

By Consul John S. Twells.

Few manufacturers and exporters in the United States seem to be aware that Carlsbad, Marienbad, Franzensbad, and Teplitz, four famous watering places of Europe, are situated in the busiest manufacturing districts of Austria, in which many hundred factories, coal mines, and industrial works are located and several hundred thousand workmen employed; and that large quantities of goods, similar to those which they make, are exported to these districts from other countries, but could be exported from America. The classes of imported articles having a sale here are as follows: Machinery and tools for coal mines, hardware, agricultural implements, typewriters, boots and shoes, canned goods, wire, engines, india rubber, furniture, pianos, cigars and tobacco, paints, rubber goods, cotton-seed oil, automobiles, turpentine, etc.

The following are the principal articles which are made here and exported to the United States, and also to many other parts of the world: All kinds of trimmings, hand-made and machine laces, embroideries, tapes, braids, ribbons, gloves, cotton goods, hosiery, woolen, silk, dress, and linen goods, bleached goods; all articles made by spinners and dyers in flaxen and hemp works, and by cotton spinners; buttons, textile goods, fancy goods, metal and tin ware, toys, and wooden ware; material for lining; workmen's linen and underwear, and tailors' goods; all kinds of glass, china, and earthen ware; musical instruments and toys; hops and beer; mineral water, sugar, beans, insect powder, skins, human hair, kaolin, chemical goods, and many others.

The value of exports from Carlsbad to the United States during 1905, 1906, and 1907 is shown in the following table:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Beer	$29,189	$39,178	$24,336	Mineral water	$8,932	$22,080	$15,703
China goods	805,401	802,613	819,904	Mineral salts, etc.	40,499	28,396	25,828
Dresses and dress goods		3,411	25,472	Musical instruments	127,708	146,331	178,910
Earthenware	92,436	93,962	108,440	Toys	46,153	68,870	34,982
Furniture		1,434	5,283	Trimmings	19,403	38,570	39,986
Glassware	32,381	21,746	30,333	Woolen articles	19,997	16,019	2,400
Hops	262,942	310,290	294,955	All other articles	23,182	17,617	19,904
Lace goods	19,352	32,858	29,538				
Metal ware	4,113	5,829	7,832	Total	1,531,688	1,649,204	1,663,806

The number of Americans who came to Carlsbad in 1907 to undergo a medical course of the waters and stopped here from eight days to two months exceeded 3,300. Many of them sought advice at this office and information regarding Austrian trade matters, customs, social life, and also in many cases regarding questions of Austrian law and rights of foreigners in this country.

PRAGUE.

By CONSUL JOSEPH I. BRITTAIN.

Prague, the capital of Bohemia, is situated on the river Moldau, about 30 miles from where it enters the Elbe. Owing to the shallowness of the water in the Moldau, only boats of light draft can come to Prague. From Aussig to Hamburg boats of heavy draft ply whenever the river Elbe is open to navigation. Improvements in the Moldau are under way which, when completed, will enable cargoes to come direct from Hamburg without reloading. Prague has a population of about 500,000 and is improving rapidly commercially, especially since Bohemia has become such an industrial and commercial country. It has three railway systems connecting it with Vienna and good railway service into Germany.

The consular district of Prague comprises the greater part of the Kingdom of Bohemia. The districts of Carlsbad and Reichenberg are in the northern part of Bohemia, adjoining Germany. The leading cities in the district, with their varied industries, are Prague, where gloves, glove leather, machinery, railway cars, textiles, chemicals, glass, sugar, alcohol, paper, shirts and collars, beer, and guns are produced; Pilsen, breweries and guns; Kladno, iron, steel, and coal; Budweis, indelible pencils and enameled ware; Aussig, chemicals, coal, textiles, and sugar; Teplitz, pottery, china, and glass; Trhoro, human hair nets; Tyssa, metal buttons; Humpoletz, shoes and woolen goods; and Pribram, silver mining.

In Bohemia the population, upward of 6,000,000, is about 65 per cent Czechs and 35 per cent Germans. In Prague, the trade center of the Kingdom, the percentage of Czechs is much greater. In consequence of this condition the American exporter should personally visit this territory and study the market from a local standpoint. England and Germany are alive to local conditions and profit largely through a personal canvass of the territory.

COMMERCIAL ACTIVITY—ELECTRIC RAILWAYS AND BREWERIES.

The past year was quite satisfactory from a commercial and industrial point of view. The factories in the district were all employed, and about 100 new ones erected. Prices for labor and materials of all kinds advanced and are still advancing. Owing to cold weather and rains the crops were not up to the average in quantity, but the quality was good and the price realized exceeded that of the 1906 crops by $38,000,000, while the quantity fell about 32,000 tons short.

The textile industries closely interest the United States in consequence of the amount of raw cotton consumed. Within the past few years the number of spindles in Bohemia has increased about 700,000 and the number of looms about 20,000. The deliveries of spinning machinery in Bohemia in 1907 exceeded the amount delivered in 1906 by 40 per cent. Practically all the machinery used in the cotton mills comes from England. The territory is canvassed by experienced representatives of English manufacturers of textile machinery, hence they obtain the orders. The Austrian cotton industry profited last

year in consequence of the numerous orders which the English mills could not fill in season, as many of these orders were given to Austrian manufacturers.

The city of Prague owns its electric railway system and recently purchased suburban lines from private companies. The total number of passengers carried last year was 34,751,039 and the total receipts $913,129. The fares vary with the distance traveled. The minimum is 2.4 cents and the maximum price 6 cents. From the time the cars start in the morning till 7 o'clock the fare is 1.2 cents to accommodate laboring people.

Owing to the cold, wet weather last year the brewery business was not satisfactory. The price of fuel advanced about 35 per cent and labor also materially advanced in price. Such conditions in connection with the high rates of interest naturally reduce the brewer's profits. To raise the price of beer to the consumer would meet with protest. The total production of beer in Bohemia from September, 1906, to September, 1907, was 247,860,963 gallons, which was an increase of 4,517,307 gallons over the previous year. About 15,000 laborers are employed at the different Bohemian breweries, and the Government derives $6,646,000 in taxes and the local communities $2,668,000. The capital invested in the brewing business is estimated at $65,000,000.

The hop crop matured last season under very favorable circumstances, and the quantity and quality of the crop was very satisfactory. The production in the various districts was: Saaz district, 8,250 tons; Auscha Rotland, 3,500 tons; and Dauba Grunland, 1,000 tons; total, 12,750 tons.

BANKING—SUGAR PRODUCTION—IRON INDUSTRY.

The high rates of interest paid by the Prague banks during 1907, especially during the latter part of the year, induced many people to deposit their money with the banks rather than invest in bonds and stocks or uncertain commercial enterprises. The leading Prague banks pay 4 per cent interest on running accounts, and have paid 4.5 per cent. For first-mortgage security 4 per cent to 4.5 per cent is required and for second mortgage, 4.75 per cent to 5 per cent. The total deposits in the various Prague banks in the year 1906 were $88,000,000, and at the close of 1907, $106,000,000, an increase of $18,000,000. The deposits in the Prague savings banks were, at the close of the year 1907, $75,000,000, which is an increase of $4,000,000 compared with the previous year.

The sugar crop for the past year, and prices realized for the same, were highly satisfactory. In Bohemia last year there were 117 factories for the extracting of raw sugar and 16 refineries, which produced 655,800 tons of sugar, being an increase over the previous year of 55,250 tons. The yield of sugar produced from an acre of beets was 2.1 tons in 1907, and in 1906, 1.84 tons. The price paid for beets in 1907 was $3.65 per ton, and the prices already contracted for for the 1908 crop are $4.06 to $4.47 per ton. The average price paid for refined sugar was $139.10 per ton and for raw sugar $50 per ton. There is an excise duty on sugar of 38 crowns ($7.61) for each 220

pounds. The Austrian ministry has agreed to reduce this duty September 1, 1908, to 30 crowns ($6.09) per 220 pounds, making the excise duty $60.90 per ton, instead of $76.14, as at present. When sanctioned by the Upper House of Parliament, the reduction will be announced.

The past year has been very satisfactory to the iron trade, as the many railway and other improvements have made an increased demand for iron, and prices have advanced for all grades.

Several letters were received at the consulate from persons in America wishing to sell iron and steel tubing in Bohemia. I am informed by a representative of one of the leading steel companies in America that there is but little opportunity for selling tubing here, owing to the customs duties in Austria and the special style of tubing required for the Bohemian markets.

HOW TO BUILD UP AMERICAN TRADE.

There are many finished products coming to Bohemia from England and continental points which could be supplied by the United States. For example, various kinds of toilet soaps, creams, etc., come from England, as well as fine shelf groceries and drugs. Numerous drugs are imported in tablet form which, I think, are no better than those prepared by certain American firms and which are more expensive than the American articles. England also supplies numerous lines of men's furnishing goods, such as neckwear, gloves, hosiery, and hats. All over the Continent you may see young Englishmen and Germans employed in commercial and manufacturing establishments learning the language and business according to continental methods, but you rarely see a young American thus fitting himself to capture continental markets. Wherever you see English people on the Continent, they present a united front for England and English products, but not so the Americans; they divide up into little bands and too frequently apologize for their wonderful country and its achievements.

TRADE WITH THE UNITED STATES.

It is not possible to give the amount of imports from the United States into this consular district, and many articles are cleared at custom-houses other than Prague. The leading articles are raw cotton, oak staves, pitch pine, and walnut, used for inside finishings and making furniture; lubricating and cotton-seed oils, typewriters, office furniture in limited quantities, house-furnishing goods, agricultural implements, canned fruits and California evaporated fruits, cash registers, shoes, razors of the safety variety, which are being imitated in Solingen, Germany, and sold at the same price as the American article, but larger percentage is given the selling agents and better terms to the purchaser. Barbers' soaps, cameras, and shoes are generally sold, but the prices usually asked for American merchandise are beyond the reach of persons of moderate means.

The exports from this consular district to the United States during 1905 were valued at $1,789,902; 1906, $2,323,186; and 1907, $3,214,851. The principal items for the last two years were:

Articles.	1906.	1907.	Articles.	1906.	1907.
Beans	$2,378	$18,390	Linen goods	$5,947	$6,134
Beer	724,735	866,080	Machinery	6,104	3,126
Books	124,491	162,668	Metal capsules	39,395	34,355
Buttons	13,739	14,645	Metal ware	39,298	16,191
Chemicals	121,225	193,763	Oil, sod	6,021	13,130
Clay	1,633	1,839	Paper and paper goods	13,756	19,420
Cotton goods	8,853	14,536	Porcelain	44,644	75,646
Earthenware	15,146	21,717	Seeds	50,617	333,795
Feathers	10,162	13,187	Siphon bottles	55,253	36,915
Furniture	25,118	26,824	Smokers' articles	8,244	10,918
Gelatin	3,846	18,066	Steel, tool	16,308	8,719
Glassware	122,973	199,003	Sugar	95,802	.....
Gloves	154,464	307,144	Wool, and manufactures:		
Glove leather	42,453	31,121	Raw	31,630	73,992
Glue and glue stock	23,492	22,482	Textiles	25,865	15,251
Hair, human	110,210	166,332	All other articles	42,516	84,208
Hops	320,313	360,633			
Household goods	4,465	9,088	Total	2,323,186	3,214,851

REICHENBERG.

By Consul Charles B. Harris.

The textile industry of Bohemia in recent years has been remarkably prosperous. Cotton-goods manufacture increased by 700,000 spindles and 20,000 looms. Of the 3,651,804 cotton spindles in Austria, 2,179,091 are in Bohemia. Factories weaving raw material even more than the spinneries were very busy and received satisfactory prices. The same can be said of the establishments producing colored goods. Beginning in November, however, owing to the American crisis, the orders from the United States fell off in a remarkable degree, causing the manufacturers much anxiety. American business has somewhat improved and renewed orders are expected.

The linen industry has suffered most from the present American stringency, as 32 per cent of the total exports from this district consist of this article. Notwithstanding this, however, the linen manufacturers of northern Bohemia have decided to adhere to the old prices. The somewhat warm weather, unusual in this region in the winter season, also had an effect on the cloth industry. There was a good market, however, in smooth Palmerstons, worsteds, striped and ladies' dress cloths, velvet vests, striped diagonals, cotton velvets, mandarins, coachmens, Bristols, black Peruviennes, and winter tricots.

EXTENSIVE DEMAND FOR COTTON.

It was but natural that owing to the excellent state of the textile industry there should also have been an extensive demand for raw cotton. As a matter of fact, never before in the history of this consular district was there such a consumption of the product. Exact figures of the quantity imported in 1907 are not obtainable, but it is estimated that about 375,000 bales from the United States came to northern Bohemia. The cotton warehouses of the textile factories, which were emptied of cotton in 1905–6, last y v :e filled up again in such quantities that they t the commodity

for 1908. The recent reaction in business and a poor crop in the Austro-Hungarian Empire naturally had its effect on the cotton imports.

The textile manufacturers of northern Bohemia, in introducing their goods during the last year, used about two-thirds American and one-third Egyptian and Indian cotton. Cotton importers are more satisfied than formerly with the packing of American shipments, although they state that the United States is still behind Egypt and India in the careful preparation of the bales. It is possible that American cotton will hold its own in this district this year, owing to the poor cotton crops in Egypt and India.

JEWELRY, PRECIOUS STONES, AND MILLINERY INDUSTRY.

The jewelry and millinery ornament industry of Gablonz was prosperous in the last year, belt buckles and hat pins especially finding a ready market. The establishments in which these goods are produced were very busy and devoted much time and attention to the production of new designs and novelties. Hat pins of various designs were made in large quantities. There was a heavy demand for such of metal, the heads of which are crowned by wood and decorated with painted ornaments. While pins of various material—for example, of glass and celluloid—continue to be made, preference is given to those made of wood, as the material is cheaper. Also well received were glass pins in the forms of pears and arrows, in blue, gray iris, and black in color. The belt-buckle business began last fall, fine designs being produced in silver, decorated with colors or precious stones. There was also a good demand for brooches and scarf pins, but the orders received show that only the higher grades were wanted, preference being given to solid articles. Some firms also manufactured goods of fine metal work in modern designs. For the decoration of brooches usually very finely colored glass stones are used, and a fine exterior is obtained by the harmonious combination of metal effects.

Trade in hat ornaments was bad. One of the reasons for this condition was a change in styles, which this season did not permit the use of ornaments for decorative purposes, and, what is more, hat pins forced trimmings into the background. Bracelets had a large sale, and an increasing demand indicates that this article will find a good market. Most in demand were spangles decorated with sparkling stones, furnished in all prices. Bracelets with black stones were also sold.

The production of charms did not change materially, fine grades being produced in the cheaper qualities. There is a noteworthy increase, however, in the manufacture of metal buttons, which indicates that the industry has obtained a strong foothold. Large and small buttons, either entirely of metal combined with mother-of-pearl or inlaid with glass, were readily sold. Business in black jet, however, was not very satisfactory. Black belt buckles, finely polished or decorated with tasteful etching, received the preference. Black hair pins inlaid with pearls or painted over were in demand, although the increasing competition has reduced the production of this not very cheap article. On the whole, business improved in mourning jewelry, brooches, earrings, and charms. The manufacturers of Gablonz expect that business in black jewelry will continue to be favorable.

AMERICAN PETROLEUM—CUT-GLASS INDUSTRY—CARPETS AND RUGS.

But little American petroleum is consumed in this consular district, the oil furnished by the Galician and Russian oil fields being cheaper in price. It is estimated that about 10,000 barrels of American oils were imported in the last year. The oil furnished by the German-American Petroleum Company is considered superior in color and quality to the European products, although $3 higher in price. The American oil is used mainly by the Gablonz jewelry manufacturers in the smelting of pearls, being better suited for this purpose than the Galician and Russian oils.

Bohemian glassware enjoys a deserved reputation for excellence all over the world, but there has been a marked decrease of its export to the United States. This is due in a large measure to the excellent and fine quality of the American glass and its superior workmanship. Bohemian manufacturers freely admit that they find it impossible to produce cut glass equal to the American, owing to their inability to obtain the same sand or to give the same finish to their goods. Cheap grades of cut glass, glass ornaments, and prisms continue to be exported to the United States from this region, but these goods are made mainly by hand.

Business in carpets, rugs, and blankets in the last three years was excellent and increased in 1907, although in the last months, probably owing to the American crisis, there was a reduction in the manufactures and exports. Axminsters and Persians were the leading exports in these goods.

SALES TO THE UNITED STATES.

The total value of exports from the Reichenberg consular district to the United States in 1905, 1906, and 1907 amounted to $2,682,405, $3,187,877, and $3,330,081, respectively. Of these amounts are included exports from the Haida agency, amounting to $755,272 in 1905, $772,326 in 1906, and $658,376 in 1907. In the following statement is shown the articles of export from the entire district to the United States during the past three years:

Articles.	1905.	1906.	1907.
Artificial flowers	$71,136	$93,622	$152,805
Beads, glass	86,434	95,849	94,435
Buttons, glass, metal, and ivory	151,520	111,384	95,084
Carpets and rugs	53,500	75,095	76,127
Colors	16,596	21,423	16,861
Cotton cloth	2,807	13,325	8,009
Cutlery	40,258	41,703	47,610
Enameled ware	10,266	25,026	23,003
Glassware	614,226	602,263	489,455
Hops	53,131	25,625	58,858
Jewelry and millinery ornaments	289,800	358,459	524,848
Lamp ornaments, etc	17,284	49,159	93,111
Linen articles	852,611	1,094,687	1,068,602
Metal ware	17,116	11,859	12,694
Needles	27,913	31,591	25,122
Porcelain and pottery	18,506	18,585	17,944
Precious stones and imitations	211,613	292,687	310,214
Sparterie	12,787	18,607	20,328
Woolens	108,667	108,621	160,478
All other articles	29,234	38,267	34,405
Total	2,682,405	3,187,877	3,330,081

TRIESTE.

By Consul George M. Hotschick.

The aggregate value of the commerce of Trieste in 1907 was $426,454,711, against $410,780,868 in 1906, a gain of $15,773,843. The total value of imports was $215,560,651, against $209,366,893 in 1906, while the exports were valued at $210,894,060, against $201,413,974 in the previous year. The values of the principal imports and exports in 1907 are given in the following table:

Articles.	Imports.	Exports.	Articles.	Imports.	Exports.
Animals: Cattle	$1,651,649	.....	Oilcloth, etc	$107,795	$423,235
Automobiles, etc	172,347	$128,702	Paper, etc	5,215,409	5,746,565
Breadstuffs:			Paraffin, etc	238,460	465,537
Bran	644,795	648,819	Pitch	436,456	358,048
Corn	1,380,963	205,202	Plants, etc	299,214	334,280
Flour	2,599,330	1,543,156	Provisions:		
Clocks, watches, etc	1,658,003	1,645,518	Butter, lard, etc	821,986	561,678
Clothing and millinery	7,004,763	6,164,035	Cheese	567,491	231,745
Coal, coke, etc	4,230,310	871,809	Meat	823,924	116,891
Coffee	12,373,289	10,574,009	Tallow	504,406	555,850
Cotton, raw	22,921,850	23,162,072	Pulse	933,102	677,406
Drugs	1,070,736	1,011,179	Rice	2,842,483	4,905,613
Extracts, conserves, etc	530,914	882,356	Rope	202,758	199,546
Fish	731,295	533,866	Seeds	2,483,168	466,138
Fruit	11,611,088	10,906,509	Silk, waste	479,579	522,546
Glass and glassware	3,437,313	3,202,526	Skins:		
Gum and resin	763,885	745,840	Raw	7,299,870	6,826,512
Hemp	498,812	396,581	Tanned, etc	1,922,481	1,624,283
Instruments:			Soap	184,557	473,516
Musical	444,564	336,505	Sponges	721,706	341,365
Scientific	130,326	211,932	Stoneware	134,497	142,971
Iron and steel manufactures:			Sugar	8,165,941	7,997,102
Hardware	1,468,064	1,166,470	Sulphur	300,424	363,395
Iron and ironware	8,308,903	7,334,949	Tar	192,688	168,754
Machines—			Tartar	564,943	633,009
Electrical	297,794	208,885	Tea	2,314,809	1,983,361
Typewriting, etc	260,652	216,195	Textiles, etc	31,648,646	29,499,350
Other, and parts	1,842,745	1,047,478	Tobacco	8,101,430	5,561,027
Magnesite	930,070	916,328	Turners' work, etc	1,045,875	867,556
Malt	597,854	497,999	Varnish	115,515	74,785
Matches, etc	717,227	668,682	Vitriol	260,590	205,989
Metals and metal ware	9,216,974	9,088,010	Wax, animal	117,366	107,184
Mineral, diverse	1,136,370	200,514	White lead	83,200	50,821
Mineral water	254,884	170,507	Wine	3,018,526	205,202
Nutgalls	522,523	534,585	Wood for dyeing	.....	55,847
Oil:			Wooden ware	2,300,412	1,743,526
Mineral	648,258	685,458	Wool, raw	1,366,495	1,306,559
Palm, cocoa, etc	424,098	721,498			
Solidified	2,126,001	3,802,904			

TRADE WITH THE UNITED STATES.

The value of goods imported from the United States direct into Trieste during 1907 amounted to $10,966,731, against $10,650,237 in the previous year. This is an increase of $316,494. In 1906 there was a decrease of $2,158,932 against 1905. The import of bacon and lard fell off from 9,842,898 pounds in 1906 to 3,239,219 pounds in 1907, a difference of 6,603,679 pounds. There was an increase of imports in pounds weight of coal from 31,871,500 in 1906 to 77,477,801 in 1907; of raw cotton from 22,883,378 in 1906 to 33,806,439 in 1907; of phosphate from 27,370,109 in 1906 to 36,510,822 in 1907; of tallow from 3,862,239 in 1906 to 6,393,561 in 1907; and of wood from 5,072,785 in 1906 to 7,149,297 in 1907.

The principal articles of import into Trieste from the United States during 1907, were as follows:

Articles.	Quantity.	Articles.	Quantity.
	Pounds.	Oil—Continued.	*Pounds.*
Asbestos, etc	1,869,059	Lubricating	2,283,084
Bags, empty, etc	18,078	Solidified	278,441
Books and other printed matter	12,525	Paper and paper goods	64,595
Brushes	74,956	Paraffin	205,910
Coal	77,477,801	Phosphate	36,510,822
Cocoa	102,293	Pimento	140,653
Coffee	7,104,544	Plants, etc	132,717
Conserves, eatables, etc	67,461	Provisions:	
Copper	17,465,062	Bacon, lard, etc	3,239,219
Cotton, and manufactures:		Grease	1,599,878
Raw	33,806,439	Meat, canned, dried, etc	252,206
Waste	100,089	Tallow	6,393,561
Other	7,496	Rosin, etc	33,186,064
Earth and earthenware, etc	579,810	Sand	737,439
Extracts for tanning	29,983	Seeds	122,355
Fish	99,428	Skins, including leather	149,031
Fruit	31,305	Sponges	136,244
Furniture	42,769	Staves	410,276
Iron and steel manufactures:		Stearin	11,023
Hardware	79,145	Sugar	667,333
Machines—		Sulphur	8,157,020
Sewing	2,425	Talc	404,324
Typewriting, etc	152,999	Tin	260,143
Other	767,421	Tobacco	1,536,606
Nails	136,244	Varnish	1,764
Tubes, etc	254,631	Vitriol	1,143,747
Lead	2,240,535	Wax, animal	20,723
Oil:		White lead	165,125
Cotton	1,630,963	Wood: Pitch pine	7,149,297
Fish	252,899		
Linseed	78,263		

CLASSIFICATION OF EXPORTS.

The declared value of exports, including returned goods, from Trieste to the United States during 1907 was $1,030,766, against $1,806,368 in 1906 and $1,498,450 in 1905. The articles were as follows:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Beans	$2,444	$508	$21,856	Silk	$28,459	$17,450	$10,596
Bone, cuttlefish	19,069	26,453	25,101	Skins	868,754	614,047	424,065
Cherries, sour		30,456	20,738	Turpentine	5,523	7,496	11,122
Drugs	76,379	144,032	103,331	White lead	7,202	9,721	12,593
Filberts	7,660	39,603	53,833	Wine and other liquors	10,432	5,996	6,771
Fish in oil	5,202	2,997	8,719	Wool	17,128	19,739	663
Fustic wood and roots	4,524	6,786	10,685	All other articles	70,610	66,902	69,175
Gum	25,424	22,574	27,530	Total	1,492,800	1,802,764	1,027,294
Insect flowers and powder	108,897	102,593	60,094	Returned American goods	5,650	3,604	3,472
Iron	167,840	363,492	29,021				
Oil	9,960	53,679	21,694				
Rice and rice flour	57,293	268,240	109,707	Grand total	1,498,450	1,806,368	1,030,766

The exports declared at Trieste to the Philippine Islands during 1905 were valued at $7,145; 1906, $8,317; and 1907, $30,201. The items of export in 1907 were yarn, valued at $20,595; cigarette paper, $8,281; and iron chains, $1,325.

SUGAR EXPORTS—NAVIGATION STATISTICS.

The export of sugar from Trieste during the year 1907 amounted to 309,481,748 pounds, a decrease of 150,926,916 pounds compared with the exports of 460,408,664 pounds in 1906. The decrease was

caused principally by the abundant sugar crop in the East Indies, to which Austria exported during last year only 19,598,894 pounds, against 137,456,810 pounds in 1906, and also by the sharp competition of Java in the East India markets. Turkey imported from Austria 48,765,752 pounds less in 1907 than in the previous year. Bad agricultural crops, it is stated, prevented Turkey buying the usual amount of sugar. A new market is opened for Austrian sugar in Argentina. The Austro-American Steamship Company opened a new line from Trieste to Buenos Aires last October, and its vessels, which leave Trieste regularly every three weeks, carried during the last three months of 1907, 10,207,298 pounds of sugar to Argentina, and during the same period still more considerable quantities were contracted for. Thus the year 1908 was begun under fair prospects for the Austrian sugar trade in regard to Argentina.

The following table shows the exports of sugar from Trieste and the countries to which the goods were shipped:

Countries.	1906.	1907.	Countries.	1906.	1907.
	Pounds.	*Pounds.*		*Pounds.*	*Pounds.*
America (different countries)	286,598	88,184	Montenegro	286,598	485,012
Argentina		10,207,298	Malta, Aden, Zanzibar, etc.	6,657,892	7,716,100
Austro-Hungarian ports	13,161,462	15,277,878	North Africa	9,590,010	14,925,142
Bulgaria	1,366,852	8,417,130	Portugal	22,046	
East Indies	137,456,810	19,598,894	Turkey	223,281,888	174,516,136
Egypt	27,469,316	23,456,944	United Kingdom	551,150	
Gibraltar	308,644	88,184	Other countries (by railroad)	6,437,432	6,481,524
Greece	21,803,494	22,883,748			
Italian ports	10,032,976	8,421,572			
Japan and China	1,675,496	1,918,002	Total	460,408,664	309,481,748

The number of vessels which entered this port during the year 1907 was 10,090, with a tonnage of 3,420,475 tons. Of these vessels, 5,177 arrived with cargoes and 4,913 in ballast. The number of vessels departed during the same period was 10,091, with a total burden of 3,426,407 tons, of which 5,062 vessels left with cargoes and 5,029 in ballast.

The Austrian merchant fleet comprised on October 31, 1907, 14,279 registered vessels, totaling 359,728 tons.

VIENNA.

By Consul-General William A. Rublee.

In both commerce and industry conditions were generally favorable during the calendar year of 1907 in the consular district of Vienna as well as throughout Austria. The prosperity that has prevailed during the last few years reached the highest point during the first six months of 1907. With but few exceptions all branches of industry were fully occupied, and in many cases all the orders received could not be filled, though work was carried on both day and night. There were increases in wages and in the price of many raw materials, but in spite of these increases the general results were undeniably favorable. During the last six months of 1907 there was a noticeable reduction of business, attributed to the financial crisis in the United States, which affected all European markets to a considerable extent. In Austria there was less complaint of the

cessation of prosperity than in most other European countries, inasmuch as Austria's share in the world's trade was smaller and the home consumption had been greater than before. One of the features of the year was the considerable new investments in industrial concerns, particularly in the textile and machine industries. The general industrial organization advanced materially during the year. The crops were excellent in Austria, exclusive of Hungary, and the transportation business showed a phenomenal increase.

TRADE WITH THE UNITED STATES.

Trade with the United States did not fluctuate greatly during the year, though there were increases both in the imports from the United States and in the exports from Austria to the United States. Considering the fact that trade between the two countries has never shown any rapid advances, the progress made during the past year is to be regarded as satisfactory. Imports from the United States consist, as usual, mostly of raw materials, and cotton is again the principal factor in bringing the total to a higher figure. Manufactured goods from the United States have not made any marked gains in the Austrian market, owing to some extent to the lethargy of American exporters. There have been no special efforts made to increase the sales of American goods in Austria. Trade depends largely upon the ordinary demand for such goods, and the only apparent means used to place American goods on the market has been by soliciting orders through the mails and by sending catalogues. American salesmen have been mainly conspicuous by their absence. In isolated cases there has been a direct solicitation of trade by the manufacturer himself or by his agent, and the results in such cases have proved that the market is worthy of such investigation.

About the usual amount of business has been done in such American articles as have already been introduced in the Austrian market, such as typewriting machines, sewing machines, shoes, leather, cash registers, machinery tools, canned goods, etc. In most of these articles the market has been somewhat enlarged, but there is plenty of room for further expansion. It is a question of applying the same methods in Austria that have been successful in Germany, England, and other countries. The American manufacturer should give a more direct supervision to the trade in Austria and not confine himself to doing business by correspondence.

American coal ought to command a good market in Austria, as there has been and there still is a marked scarcity of coal in this country. During 1907 the import of coal increased by nearly 3,500,000 tons and there will be at least an equal amount imported during the present year. American coal of a good quality delivered at the seaports of Trieste and Fiume should meet with a ready sale and a large business might easily be done.

CLASSIFIED EXPORTS TO THE UNITED STATES.

The statement of declared exports from the consular district of Vienna to the United States during 1907 as compared with the previous year shows an increase of about $1,000,000 in the value of these exports. The principal articles of export were magnesite, linen

goods, glassware, ferrosilicium, skins, cotton goods, steel bars, bent wood furniture, meerschaum and ambroid, artificial flowers, leather goods, and fans. The following table enumerates the articles exported and their value during the last two calendar years:

Articles.	1906.	1907.	Articles.	1906.	1907.
Albumen	$23,704	$34,706	Matches	$12,389	$27,657
Antimony	99,026	31,701	Meerschaum, etc	252,144	236,340
Baskets	78,421	81,981	Metal goods	121,052	99,036
Beer	336	33,677	Notions and fancy goods	94,571	87,061
Books	31,124	42,032	Ozocerite and ceresine	52,941	116,476
Bronze	32,793	22,896	Paintings, etc	70,150	75,122
Buttons	31,317	27,482	Paper goods	67,243	89,278
Capsules	59,150	74,073	Post cards	81,286	58,637
Chemicals	19,602	45,744	Pottery and porcelain	29,645	33,502
Cigarette paper	4,231	44,939	Pulp	121,280	87,809
Copper	14,146	48,145	Razor hones		17,942
Cotton goods	142,572	205,851	Rubber balls	57,902	122,002
Enameled ware	219,676	110,937	Rugs	4,803	20,303
Fans	117,523	146,939	Silk goods	86,417	102,212
Ferrosilicium	448,843	396,489	Silk, artificial		119,066
Flowers, artificial	85,587	162,191	Siphons	76,254	48,530
Furniture, bent wood	224,508	243,057	Skins	148,220	229,982
Glassware	284,123	320,707	Skin wool	44,618	38,050
Glass stones	127,100	196,853	Smokers' articles	292,115	409,218
Gloves	73,491	57,962	Steel in bars	310,991	285,643
Hair:			Sugar, refined	30,279	34,816
Animal	106,201	27,463	Tale and fats	45,257	31,474
Human		24,588	Theatrical goods	39,950	25,868
Horn goods	12,874	18,826	Toys	67,697	167,799
Household goods, etc	32,868	29,177	Umbrella fixtures	86,926	85,891
Instruments, scientific	10,774	7,743	Wine	9,760	23,923
Ladies' costumes	9,794	4,379	Wooden goods	42,131	41,011
Leather goods	101,552	141,846	Woolen goods	229,039	247,728
Linen goods	472,075	457,436	All other articles	140,420	236,969
Linen laces		19,199			
Machinery	14,124	13,780	Total	6,189,124	7,090,087
Magnesite, calcined	696,109	817,934			

The value of declared exports from Vienna to the Philippine Islands during the calendar year 1907 was $104,540, consisting of the following principal articles: Cigarette paper, valued at $40,787; enameled ironware, $29,457; paper goods, $9,924; ladies' shoes, $6,654; wooden furniture, $3,560; and buttons, $1,640.

HUNGARY.

By Consul-General Paul Nash, Budapest.

The advance figures for 1907 show the value of the imports of Hungary to have been $337,367,038 and the exports $323,213,410, an increase in imports of $21,580,238 and in exports of $16,927,010 over 1906. The excess of imports over exports, $14,153,628, is accounted for by the enormous import of textiles. Of the total import, $262,498,557 was from Austria and $74,868,481 from other countries, while of the total exports, $242,596,059 went to Austria and $80,617,351 to other countries. Thus the import from Austria was about $20,000,000 greater than the export to that country, while the export to other countries exceeded the import from them by about $6,000,000. The geographical position of Hungary and the absence of a customs frontier between it and Austria, together with the great industrial development of the latter country, particularly in the textile industry, accounts for the fact that nearly 80 per cent of the total imports came from that country.

Of the imports from countries other than Austria the greater part came from those immediately adjacent, except the item of coal, which came principally from Great Britain. In its export trade Hungary's commercial relations are more extended, and we find Hungarian flour exported in great quantities to England, Germany, France, the Netherlands, and even Brazil and the United States, all of which, together with the smaller countries of Europe, consumed in the neighborhood of 100,000 tons. In cereals, sugar, eggs, poultry and game, horses, sheep, cattle, feathers, lumber, and petroleum the export was also large to noncontiguous countries.

IMPORTS AND EXPORTS BY ARTICLES.

In the following statement is shown the total imports into and exports from Hungary during 1907:

Articles.	Imports.	Exports.	Articles.	Imports.	Exports.
Animals, live:			Jewelry and precious metals	$21,860,175	$5,132,026
Cattle	$1,159,554	$22,441,471	Jute, raw	1,590,259	7,758
Hogs	112,003	11,561,447	Leather and leather goods	18,433,207	6,704,411
Horses	318,247	3,870,188	Lumber, timber, etc	6,034,663	14,526,796
Poultry and game, n. e. s.	219,543	2,725,043	Machinery and parts	12,994,613	2,388,317
Sheep and goats	22,855	707,970	Malt	97,848	1,525,029
Other	66,571	59,617	Matches and explosives	547,115	2,094,283
Asbestos, manufactures of	170,623	110,220	Metals and metal ware, n. e. s.	9,987,522	2,333,369
Barks, dyewood, etc	902,617	1,619,543	Minerals, crude:		
Beverages:			Building stone	138,704	166,027
Beer	974,936	255,101	Ores	130,710	2,191,135
Brandy, liquor, etc	948,414	1,219,214	Other	1,270,126	583,262
Mineral waters	380,813	1,132,874	Oil:		
Wines	2,891,418	7,106,298	Mineral, coal tar, and by-products	4,471,513	1,462,031
Boats and ships	1,997,355	626,815	Olive	659,544	38,389
Breadstuffs:			Other	631,614	511,420
Barley	51,086	11,484,517	Oilcloth	707,763	643,231
Bran	338,896	2,760,555	Paintings, statuary, etc	572,972	293,363
Corn	373,786	11,327,589	Paper and paper goods	6,391,135	1,112,586
Flour—			Paper stock and wood pulp	228,007	1,179,704
Wheat and meal	400,722	42,847,344	Printed matter	1,919,659	568,136
Rye	45,013	2,313,373	Provisions:		
Meal	6,946	2,152,452	Cheese	626,814	576,825
Oats	232,661	7,283,682	Fats and grease	791,514	6,673,369
Rye	18,089	11,017,591	Meat, butchers'	578,709	2,502,200
Wheat	321,905	23,714,853	Meat, preserved, ham, etc	1,030,488	1,335,147
Other	1,253,393	2,838,546	Poultry and game	43,786	4,452,693
Bricks, tiles, etc	2,863,644	332,677	Rags	91,792	508,519
Brushes, straw goods, etc	912,608	1,155,739	Rice	3,813,413	2,158,804
Candles, soap, etc	2,186,984	252,557	Roots and herbs	148,151	271,964
Carriages, bicycles, and motor vehicles	1,191,238	255,071	Rubber goods	2,527,849	948,646
Cars, railway and tram	33,864	686,016	Salt	70,305	49,689
Chemicals	6,135,340	4,963,467	Seeds	2,576,236	3,202,711
Cocoa	1,179,893	383,632	Silk, raw	622	237,650
Coffee	3,620,653	138,240	Spices, etc	735,048	225,819
Cotton, raw, waste, etc	3,224,922	115,824	Stone, manufactured	1,263,814	432,996
Drugs, perfumes, etc	3,513,282	820,715	Sugar	2,804,408	7,524,910
Eggs	161,245	7,008,422	Tea	415,315	28,209
Electrical appliances and supplies	2,373,357	1,207,682	Textiles:		
Feathers	194,666	2,072,904	Cotton goods and yarn	50,943,239	7,333,212
Fish	1,718,557	255,541	Flax, hemp, jute goods, and yarn	8,040,934	1,720,351
Fruits and nuts	3,927,390	2,801,488	Silk goods and yarn	9,116,795	1,039,669
Fuel:			Woolen goods and yarn	27,380,820	2,775,077
Coal and briquettes	11,295,227	67,502	Tobacco	2,579,454	3,702,070
Lignite, peat, etc	3,034,548	1,505,498	Trees, plants, etc	1,148,664	295,268
Wood	109,847	453,675	Vegetables	669,070	1,931,208
Fur goods	1,382,029	160,805	Wearing apparel	16,747,657	1,351,905
Glass and glassware	3,114,886	613,300	Wooden ware	8,207,697	3,152,898
Greases and fats, n. e. s	2,979,534	1,185,644	All other articles	6,220,494	14,476,079
Gum and resin	1,153,498	88,587	Total	337,367,038	323,213,410
Hair and bristles	570,901	158,588			
Hemp	594,116	1,739,910			
Hides and skins	5,049,706	3,681,632			
Instruments, scientific and musical, clocks, etc	5,104,340	474,008			
Iron and ironware	19,217,382	6,496,802			

TRADE WITH THE UNITED STATES.

Hungary's export trade with the United States in 1907 showed an increase of nearly $400,000 over 1906. The increase of nearly 100 per cent in the export of antimony is accounted for by the fact that in 1906 the price was much higher than in 1907, and type-manufacturing concerns found it cheaper to use other metals for their alloys in the former year. The increase in the asbestos export seems to have been the result of the satisfaction which it has given to the American buyers. The phenomenal bean crop and the excellent quality produced account for the large export in that commodity. The export of beer is the result of a new refrigerator service between Fiume and New York. Brushes decreased about $2,000.

The increase in furnishings and embroideries, which were largely ecclesiastical in character, may be accounted for by the growing number of Hungarian, Slovak, and Croatian communities in the United States. The increase in furniture, which is all or nearly all of the bent-wood variety, was the result of the development of this industry in Hungary. The enormous increase in the export of hides resulted from the high prices in the United States. The increase in the wine and liquor export is said to be largely due to the activities of the official and private agents sent out from Hungary in the last two or three years. Magnesite decreased in sympathy with the shutting down of steel plants in the United States. A good crop and low prices accounted for the increase in the nut export. The decrease in fusel oil was the result of high prices, and that in the export of rice appears to have depended upon the condition of the American market. The notable increase in the export of carbonate of potash, wood pulp, and clover seed were determined by the same causes.

In regard to imports from the United States, in the absence of statistics on the subject I am unable to even approximate its value. In the advance statistics for 1907 there are only three items covering this point, viz: Corn, 42.6 tons; petroleum, 499.9 tons; and wine, 0.4 ton. From unofficial sources I am informed that there is a good business being done in agricultural and mining machinery, typewriters, sewing machines, cash registers, machine tools, wood-working machinery, and copper.

CLASSIFIED EXPORTS TO THE UNITED STATES.

The value of exports from Hungary to the United States during the past two years was as follows:

Articles.	1906.	1907.	Articles.	1906.	1907.
Antimony	$74,594	$130,954	Hair	$15,534	$2,780
Asbestos	14,074	46,094	Hemp	71,997	67,549
Beans	290	45,815	Hides	5,129	139,177
Books and printed matter	20,948	30,272	Household effects, etc	2,113	8,108
Brandy	9,800	22,393	Ironware, enameled	1,941	2,340
Brushes	2,886	845	Liquors	1,810	7,775
Cards, illustrated post	3,582	1,611	Machinery	16,790	8,040
Casings, sheep	13,365	17,176	Magnesite	273,835	245,225
Cheese	344	2,535	Mineral water	180,240	178,775
Ecclesiastical furnishings	915	4,812	Nuts	7,963	17,082
Electrical supplies	835	1,223	Oil:		
Embroideries	2,183	9,515	Fusel	20,765	11,666
Furniture	19,926	37,721	Juniper	1,409	1,446
Glass and glassware	47,265	39,921	Paper, cigarette	718	2,178

Articles.	1906.	1907.	Articles.	1906.	1907.
Paprika	$16,572	$13,084	Toys and dolls	$16,075	$25,508
Paste, shoemakers'	1,079	1,550	Wine	22,497	64,611
Potash carbonate of	5,060	20,686	Wool	7,780	8,337
Pulp, wood	3,137	76,317	All other articles	70,929	11,845
Rice	80,109	48,635			
Roots and herbs, medicinal	22,288	38,903	Total	1,279,252	1,625,487
Seed, clover	88,848	157,977	Returned American goods	1,115	2,729
Skeletons, human	1,371	1,892			
Skins	27,080	49,545	Grand total	1,280,367	1,628,216
Sticks, rough	27,864	19,567			
Sugar	76,643				

INDUSTRIAL DEVELOPMENT.

In spite of the heavy emigration during the first part of 1907, the effect on the poorer classes of the enormous rise in the cost of living, and toward the end of the year the financial stringency in the United States, which affected the Hungarian money market, the industrial development of this country made some progress. Twenty-nine new factories, with an aggregate capital of $5,481,000 and employing 4,600 workmen, were opened. When we consider the essentially agricultural character of Hungary (in 1900, 68.6 per cent of the breadwinners were engaged in agriculture, while only 12.8 per cent were engaged in industry) and that in 1906 there were only 457 limited companies in Hungary, with an aggregate paid-up capital of $102,827,000, operating 693 industrial establishments, this is not an unsatisfactory increase for a year decidedly unfavorable for the establishment of new industries. The total amount of capital invested in new enterprises of all descriptions aggregated $63,133,000, an increase of $18,067,000 over that of 1906.

The abundant grain crop of 1906, with the consequent low prices which prevailed, made the first part of 1907 very favorable to the milling industry. Later, on account of the short crop, the general financial stringency, and the scarcity of freight cars on the Hungarian railways, conditions were reversed, and during a considerable period the Budapest mills were obliged to close down for two days a week. Nevertheless these mills produced 812,312 tons of flour, which was not very much less than that milled in 1906. Of this total, wheat flour was represented by 794,122 tons. On account of the lack of miners, caused largely by emigration, the financial depression, the phenomenal increase in the cost of living, and the transportation difficulties, the iron industry of Hungary was prevented from advancing as it otherwise would have done. Except for the machinery, electrical, brewing, distilling (in certain branches), cement, brick, rubber, and a few minor industries, the year was generally indifferent or positively unfavorable, especially for the textile industries. The undeveloped condition of this industry in Hungary, as indicated by the enormous import of textiles, is largely accounted for by the proximity of Austria, where spinning and weaving have been for centuries fostered by the State, and by the fact that there are no customs duties between the two countries.

ENCOURAGEMENT OF INDUSTRY.

For a quarter of a century the encouragement of industry has been the especial care of the Hungarian Government. As early as 1881 an act was passed guaranteeing exemption from taxes and dues to all

factories equipped with the latest technical improvements and engaged in the manufacture of articles not produced in Hungary at that time or specified in the act.

The act of 1890 extended the favors granted in that of 1881, and provided that machinery required for the building and equipment of such factories should be carried at a rate covering the bare cost of transportation by all state railways or railways the interest on the bonds of which was guaranteed by the State. The act of 1898 went still further, by extending such favors to cooperative societies of farmers or handicraftsmen engaged in the production of certain industrial articles. The act of 1907, which it is hoped will mark the beginning of a new era in Hungarian industry, enables the Government to grant subsidies and exemption from taxation to those industries which are considered by the minister of commerce to be worthy of encouragement and desirable from a national economic point of view. Subsidies may be in the form of a lump sum or an annual allowance. The act favors the building of workmen's dwellings and enables the municipal and parish authorities to encourage certain industries by grants of money, etc. It further provides that the state, municipal, and parish authorities, the institutions maintained or subventioned by the same, and all enterprises engaged in the service of public traffic shall have their industrial requisites supplied and their works carried out by home industry. The amount expended annually for such "requisites and works" is estimated by the director of the royal statistical office to be in the neighborhood of $41,000,000.

In this general scheme of industrial encouragement the small establishments have not been neglected, and between 1900 and the close of 1907 over $1,000,000 was expended by the State in supplying modern machinery and tools to small workshops and in granting scholarships to master workmen, journeymen, and apprentices. Under Hungarian law industrial apprentices are obliged to attend school, and every parish which contains 50 such apprentices must establish a special school for them. At the end of the school year 1905–6 there were 460 schools of this kind, with 66,030 pupils. There also were at that time 22 special industrial schools, with 1,177 pupils, where a more general industrial education was given, and 4 industrial schools of still higher grade, with 710 pupils, beside the university of technical science and the Budapest school of decorative arts. During that scholastic year 1,624 women qualified in 14 other schools of practical training in needlework. The maintenance of the grater majority of these schools is provided for by the State.

COMMERCIAL AND INDUSTRIAL INSURANCE.

In regard to the insurance of commercial and industrial employees against sickness and accident, I quote from the director of the royal statistical office, who says:

> The first important step in this field in Hungary was the passing of Act XIV of 1891, dealing with the assistance to be given to industrial employees and factory hands in case of sickness. By the provisions of this act all industrial employees were obliged to become members of a sick fund, being guaranteed free medical attendance and medicine and pecuniary assistance in case of sickness, and an allowance in case of confinement (women), while their families were to receive funeral expenses in case of their death. The employer was to pay one-third and the employed two-thirds of the premiums. In contrast to the above, great progress is shown by Act XIX of 1907,

dealing with the insuring of industrial and commercial employees against sickness and accidents. This act not only extended the sphere of insurance, but provided for the subsistence of workmen in case of incapability to earn their living owing to accidents, as well as in case of sickness. The greater part of the obligations (premiums, etc.) connected with the insurance are laid upon the employers; the insured may bear not more than half the expenses of insurance against sickness, whereas the premiums of insurance against accidents are to be borne entirely by the employers. On the other hand, the employed are represented in the managing bodies of the sick funds by the same number of delegates as the employers; and finally, the object of the new act being the concentration of forces, it decreed the establishment of a central fund for the whole country, the local representatives of which are several district and factory funds. In 1906 (when the older act was still in force) there were 440 sick funds. Their aggregate capital amounted to $2,866,400, while their aggregate income was $3,032,800. Of the aggregate outlay of $2,929,300, $2,316,200 were devoted to the assistance of workmen, $383,700 were expenses of management, and $229,400 were spent for other purposes. At the close of 1906, the aggregate membership numbered 780,217, whereas in 1895 it was only 569,475.

MINING OPERATIONS.

Notwithstanding the adverse industrial conditions and the fact that over $14,000,000 worth of coal was imported, those mines for which I have been able to secure data produced more coal than in 1906. Of the coal imported nearly all came from Great Britain to Fiume, and was mostly used for navigation and on the railways. I have been unable to secure general statistics covering the production of coal, iron, and other ores, but the amount of salt produced approximated 200,000 tons. The representative of an American drill company which has a selling agency in Budapest tells me that after three years of careful investigation he has concluded that Hungary possesses the richest virgin mineral deposits in Europe, and I believe this opinion is generally sustained by other experts. The juxtaposition of rich deposits of coal and iron seem to point to a great industrial future for this country. It is true that the major part of the coal is of inferior grade, but there is enough of high grade to last until such time as a means shall have been found to utilize the various lignites to a greater advantage than at present. I am informed that American competition has resulted in a decreased production of copper and silver, but the production of gold has been increasing, and in 1906 reached a value of over $2,500,000.

AGRICULTURE.

The grain crops of 1907 were inferior to those of the preceding year. This was especially true with regard to wheat, which decreased from 565,300 tons in 1906 to 355,700 tons in 1907; rye decreased from 150,500 to 114,600, barley from 157,800 to 141,800, oats from 135,300 to 121,500, and corn from 478,800 to 460,300. On the other hand, the bean crop was exceptionally good both in quantity and quality. The sugar-beet crop was some 20 per cent less than in 1906 and the quality is said to have been very inferior. The vintage of Hungary was 25 per cent less than in 1906.

As in the development of other industries, the State is doing excellent work for the modernizing of Hungarian agriculture, but farmers generally throughout the country have not as yet realized the advantages to be gained through a scientific training. This indifference to the facilities which are offered them reveals itself through the astonishingly small attendance at the academies of agriculture, which in 1906 amounted to only 1,307 students. In

the breeding of horses the Government is also doing much by maintaining four state stud farms, with over 4,000 head, beside the maintenance of 3,282 stallions for public breeding, distributed in 1,018 establishments. In the breeding of horned cattle much progress has been made in recent years, but owing to the trans-Atlantic competition the enormous flocks of sheep, which in 1869 amounted to over 15,000,000 head, diminished steadily until in 1895 there were only about 8,000,000. In 1907 the number was approximately the same, but it is said that the character of the flocks is undergoing a gradual change from fine wool-producing breeds to those more adapted for food. The number of swine has decreased considerably, owing to the outbreak of hog cholera in 1895 and to the fact that this disease has not yet been eradicated.

NAVIGATION AND TRANSPORTATION.

At the end of the year 1907 there were 61 ocean-going vessels, representing 130,000 tons, and 130 vessels engaged in coastwise trade, representing 7,521 tons, under the Hungarian flag. Considering the shortness of the Hungarian coast line and the fact that there is only one seaport of any importance, the smallness of these figures is perhaps not surprising.

The law of 1907 in relation to state subsidies for navigation and the construction of vessels has not been in operation for a sufficient length of time to enable one to speak of its results, but it is anticipated that it will be of great benefit to the Hungarian merchant marine. The year as a whole has not been favorable to navigation, partly on account of the rise in the price of coal, the cessation of Sunday work in several of the Adriatic ports, and the strikes in certain others, all of which have tended to increase the cost of operation. The small grain crop of 1907, entailing a decrease in the export of flour, was one of the factors which made that year an unfavorable one, and the coal imported only compensated in part for the loss incurred.

The last available figures (1906) show Hungary to have had 11,605 miles of railway. Of this total, 4,829 miles were owned by the State, 4,821 miles were privately owned, but operated by the Government, while only 1,955 miles were owned and operated by private companies. At the end of that year the total investment in railways had reached the sum of $737,296,000, of which $114,289,000 had been expended for rolling stock. In the same year the number of passenger cars in use was 6,722; baggage cars, 1,977; freight cars, 77,121; mail cars, 279; locomotives, 3,178, and tenders, 2,348.

The following table shows the amount of freight and the number of passengers carried on Hungarian railways, and the total receipts from the same during the past five years:

Year.	Freight traffic.		Passenger traffic.	
	Tons.	Receipts.	Passengers.	Receipts.
1903	37,494,367	$41,913,877	71,200,000	$15,672,155
1904	39,668,000	44,066,349	75,903,530	16,435,554
1905	42,671,000	45,929,731	83,517,901	17,538,786
1906	49,067,886	51,624,458	92,200,985	19,596,856
1907	51,346,146	55,521,196	104,462,362	20,886,796

The gross earnings per mile were $6,429, or 5 per cent greater than in 1906. The increase in freight would have been greater had it not been for the shortage in cars. During the year over 625 miles of lines were ordered built. The steady growth of traffic speaks well for the prosperity of Hungary and the development of its wonderful natural resources. The need of additional rolling stock, which is thus brought about, should encourage American manufacturers to make active efforts to enter this market.

IMPROVEMENT OF INLAND WATERWAYS.

Inland navigation opened some ten or twelve days later in 1907 than in 1906, and owing to the frequent low water in the rivers the comparatively small grain crop, and especially to the increased cost of operation depending upon the extraordinary advance in the cost of living, the close of navigation showed smaller earnings than in the preceding year. The abolition of the steam navigation tax on December 31 will no doubt be of value in the development of inland navigation throughout the Kingdom and be a potent factor in making the season of 1908 an especially prosperous one. That the importance of the part which inland navigation is destined to play in the development of Hungarian agriculture and commerce is realized, is shown by the various projects which were made for its improvement. The Government is said to have worked out a plan for the improvement of inland waterways at an estimated cost of about $39,000,000, of which $20,000,000 are destined for use in connection with the Danube, the Tisza, the Drava, and the Sava. I am informed that no definite action was taken during the year either in regard to the Danube-Tisza canal project, or to that for the Budapest commercial port.

There are few interurban tram lines in Hungary, and the total length of the urban lines is only about 200 miles. In Budapest the passengers carried in 1907 numbered 109,884,831, against 94,641,062 in 1906, and 83,875,561 in 1905. This large rate of increase is due not so much to the extension of the lines, which in the past year amounted to only about 3½ miles, as to the increase in population, the establishment of new industries, and, in general, to the prosperity and development of Hungary, which has resulted in enabling many more persons to visit the capital than formerly. The gross receipts per mile on the Budapest lines were in 1907, $29,211, an increase of 10.12 per cent over the preceding year.

EMIGRATION.

According to the official Hungarian statistics approximately 1,000,000 persons emigrated from Hungary during the eight years ended December 31, 1907. Of these years, 1906 and 1907 show the greatest outflow, with 185,337 and 203,332 emigrants, respectively. The Budapest Chamber of Commerce, discussing the subject in its report for 1907, says in part:

> If we are not mistaken, in view of the fact that the authorities have no record of those emigrants who evade the legal formalities, not a small number emigrated who are not included in the above figures; the record kept by the American authorities shows the total number of Hungarian emigrants to America to be very much greater.

This report, after speaking of the emigration law of 1903 and the fact that since its enactment emigration has increased instead of diminishing, goes on to say:

> Recent experience has shown how well founded and correct was the opinion expressed in the chamber's annual reports to the effect that the abatement of the emigration to America is only to be hoped for if the power of attraction which the more highly developed western agricultural countries, especially the United States, offer by furnishing high wages and opportunity for work either ceases or diminishes.

In the last quarter of 1907 the effect of the financial depression in America was shown by the falling off in emigration and the large number of Hungarian emigrants who returned to their native country. This influx of workers is said to have put an end to the strikes from which this country had been suffering for some time previously. This suggests an interesting connection between emigration and labor troubles, and helps one to understand the anxiety which results from the loss to Hungary of so many of her sturdy sons. The chamber of commerce seems to regard the situation as somewhat alarming, and says in its report, referring to the pause in emigration:

> The emigration calamity is not to be considered as having ceased and is much more dangerous to our budding industry, for which it is more difficult to supply trained labor, than for our agriculture.

FIUME.

By VICE-CONSUL G. ANDREWS MORIARTY, JR.

The trade outlook is not very promising for Fiume owing somewhat to the high duties levied upon foreign exports to Hungary. Hungary is largely an agricultural country, and hence the legislation is aimed at protecting the farmer. The high duties imposed upon certain classes of foreign goods render an extensive trade in them difficult. This is especially true in the case of foreign wines.

With regard to the country around Fiume, the mountainous regions of Croatia, there is little chance for trade. This country, while undoubtedly rich in mineral wealth, is as yet undeveloped and is difficult of access, there being few railroads and no large towns. The country consists for the most part of small farms, which are not very profitable. Its best product is wine. When the country begins to be further developed, there should be a demand for American manufactured articles in the form of machinery and mining apparatus, but lack of money prevents extensive development of the rich mineral wealth.

The trade is not so much with Fiume, there being not enough manufacturing to warrant an extensive importation of goods; but as the port of Budapest and of all Hungary, through which foreign goods are imported, it is a very important center, inasmuch as the Kingdom of Hungary proper, lying back of the Croatian Mountains, consists of extremely rich farm land. This country has great need of manufactured articles, especially machinery for agricultural purposes, and oil for that machinery. There is also a demand for crude metals, such as copper, for the Hungarian manufactories, and of cotton.

OPPORTUNITY TO BUILD UP AMERICAN TRADE.

The United States will find here a small opening for raw agricultural products, with the exception of rice and cotton; but there should be built up an excellent trade with Hungary direct in all sorts of manufactured articles, and especially in farming machines and all sorts of agricultural implements. There is a well-known British steamship company that sends two boats a month direct from New York to Fiume, so cheaper freight should be obtained, inasmuch as it is an all-water route, than if the goods were sent to another port and then shipped to Hungary. On the other hand, it takes seventeen days to come from New York and another three days from Fiume to Budapest.

One of the most important points for the American manufacturer is the existence of the free port here, like that in Hamburg. The American manufacturer has in most cases no direct connection with the Hungarian buyers. Most of the American goods are sold through German and Viennese agents and to a less extent through Budapest agents. I would urge that the American manufacturer sell direct to the Hungarian buyers.

This free port would enable the American manufacturer to send his goods direct to Fiume and place them in the warehouses, when they could be withdrawn as needed. In this way Fiume might be made a center for a trade not only with Hungary, but also with eastern Italy, southern Austria, Dalmatia, Turkey, and Greece, especially as Fiume is connected with these countries by an excellent steamship service.

TRADE WITH THE UNITED STATES.

The principal imports into Fiume are coal, wine, machinery, and phosphates, the two latter coming from the United States. The three countries having the largest export trade with Fiume are the United Kingdom, which supplies coal, British India rice, and Italy fruit, oil, wine, skins, and fish. The leading items of export from Fiume are beans, flour, cellulose, sugar, etc.

The total import into Fiume from the United States during 1907 amounted to 55,036 metric tons, valued at $5,098,716. The articles and their values are shown in the following statement:

Articles.	Value.	Articles.	Value.
Books, etc	$5,591	Oil—Continued.	
Carriages	1,754	Mineral	$220,748
Chemicals, etc	10,210	Paper, etc	1,585
Cotton, and manufactures:		Phosphates	203,216
Raw	1,793,067	Resin	18,328
Fabrics, etc	10,800	Stoneware	6,628
Grease, n. e. s	194,416	Thread and yarn	67,974
Hemp, raw	40,559	Tobacco, raw	152,686
Instruments and watches	5,806	Vitriol	12,516
Leather and leather goods	15,225	Wood, and manufactures:	
Metals, and manufactures:		Barrels, etc	2,716
Raw	939,814	Lumber	2,039
Half manufactured metals	6,445	Staves, etc	5,013
Iron and steel articles	11,152	Timber, sawn and hewn	6,348
Machines—		All other articles	39,514
Electric	2,883		
Other	1,233,883	Total	5,098,716
Oil:			
Palm and cocoanut	27,800		

ITALY.

INTRODUCTION.

The commerce of Italy and the United States is becoming more closely interwoven. The two countries have quickly developed an immense interchange of mercantile commodities, and also ties of kinship through increased migration of Italians to this country. Americans, too, have been visiting Italy in increasing number, and American colonies now exist in several Italian cities. The mutual interests of the two nations, although widely separated geographically, have become of great moment.

This growth of trade and travel between the countries has been a matter of recent years, as some comparisons will show. In 1857 only 1,046 Italian immigrants entered the United States, while during the decade beginning 1860 the annual average was less than 1,000. In 1872 the tide of Italian immigration began with 4,190, the number entering this country the year following reaching 8,757. The movement gained volume with 47,622 in 1887, 72,145 in 1893, 100,135 in 1900, 230,622 in 1903, 273,120 in 1906, and 285,731 in 1907. These figures are for fiscal years. For the past seven years the number of Italians received into the United States aggregated 1,518,619.

This emigration factor has been one of the chief elements of the growth of exports of merchandise from Italy, not only to the United States, but to other countries sought by her willing workers. Earning larger wages in the new lands, they were ready purchasers of vast supplies of goods from the home country. Thus it is that Italy has been aided, for example, in establishing an extensive trade in South America—especially in Argentina, where there are now over 1,000,000 Italians—whither weekly subsidized steamships carry great cargoes of wines, oils, cheese, and fruit, and silk, woolen, and cotton goods. Similar large consignments are sent for sale to the Italian residents of the United States, who now probably number over 2,000,000.

THE TRADE IS OF RECENT GROWTH.

Some seventy years ago the commerce of the United States with Italy was almost nonexistent. In 1836 the American exports to Italy, Sicily, and Sardinia aggregated only $285,656 and the imports therefrom $2,612,336.

Up to 1850 the American purchases of merchandise from the countries now comprising the Kingdom of Italy had remained nearly stationary, the total reaching in that year $2,880,623, the only large items of which were $336,483 of Leghorn hats and $438,513 of rags; olive oil appeared in the list at $36,657. The exportation of American products in return during 1850 aggregated $2,089,465; these,

however, were almost wholly raw materials, $733,824 representing tobacco and $979,999 cotton. The last item indicated the marked energy with which Italy was beginning the manufacture of cotton textiles. It is also worthy of note that one-half of these shipments to Italy in 1850 were carried in American bottoms, while in 1907, of the 363 vessels, with a total of 1,327,009 tons burden, clearing for Italy from ports of the United States, not one carried the American flag.

The statistics referred to are of chief value as a retrospect, bringing out the fact that the present vast Italian-American commerce has developed within the present generation and practically since the Centennial Exposition, in Philadelphia, in 1876, or within the first period of this Republic's second century of existence.

Notwithstanding that the American exportations to Italy twenty years ago had grown to large proportions, they still consisted largely of raw materials. The aggregate in 1887 was $12,056,481, comprised mainly of cotton, worth $3,449,186; tobacco, $2,863,490; wheat, $2,168,520; and illuminating oil, $3,449,186.

On the other hand, purchases by the United States of Italian goods had jumped to $19,387,808 in 1887, an advance of $6,338,962 over 1886. For purposes of comparison with the Italian exports to the United States of $44,473,364 worth of goods during the calendar year 1907, as detailed by Consul Dunning in the succeeding pages, the following American statistics of imports from Italy for the fiscal years 1887 and 1907 show the large growth of this trade in some principal lines in two decades:

Articles.	1887.	1907.	Articles.	1887.	1907.
Cheese	$118,212	$2,542,033	Oil, olive	$283,820	$2,454,095
Gloves	329,493	548,564	Raw silk	4,622,520	17,199,598
Hats	970,805	1,544,546	Still wines	41,063	1,230,642
Macaroni	None.	3,214,022	Sumac	366,907	1,089,876
Marble	506,067	1,279,520	Vegetables	4,571	1,170,294
Oils, essential, etc	266,627	864,788			

Statistics of Italian imports of articles from the United States as revealed by Consul Dunning show a value of $72,603,705 for the year 1907. Raw cotton is placed at $38,785,473; brass, bronze, etc., $4,440,597; cereals, $6,347,577; tobacco, $3,987,187; mineral oil, $3,349,322; and lumber and staves, $3,105,177. These represent a vast production, mainly of raw products, requiring for transportation the services of a large fleet of merchant vessels. The report notes also other large purchases last year from the United States, viz, scientific instruments, $1,017,303; machines and parts, $2,023,412; and meats, pork, lard, etc., $2,579,638. All these importations are the sinews supplying part of the equipment for Italy's modern and rapid development.

PROMISING FUTURE—ACTIVE ITALIAN TRADERS—WORLD'S FAIR.

Continued commercial, industrial, and agricultural activities in the Kingdom will require continued supplies and create still greater opportunities for American mechanisms. Italy now has a steam mercantile fleet of 800,000 gross tons, against only 10,000 tons in 1861; the country has a total annual foreign commerce of almost one billion dollars, which will be further expanded; it has 5,000,000 cotton spindles, and other vast manufacturing interests, but will not stop there. The harbors, railways, electric power, and financial operations of Italy have shown remarkable progress and development, which give promise of steady continuance and indicate still further growth in traffic with the United States.

The people of Italy are not only busy with handling their own commerce, but are successfully diverting trade of other nations through Italian business houses, which are rivaling those of Hamburg and Amsterdam. For example, Consul Birch in a recent report made the following statement:

> Genoa is the principal port for American trade, not only for Italy but for the entire Mediterranean. The value of American goods landed in Genoa last year exceeded $40,000,000.

Consul Dunning wrote last year as to the cotton-goods trade:

> Twenty-five years ago Italy was one of England's best customers; now she is one of her strongest competitors everywhere. It is the intention of the Milan mills to make Italian cotton textiles second only to Italian raw silk in the scale of exports. Turkey, Roumania, Bulgaria, Egypt, South America, India, and the Philippines are the principal foreign outlets for the trade. Milan is one of the principal selling points in Europe, shipments being handled here for all quarters, and in many cases for stock outside the Italian field. There is, in fact, a marked tendency to center the entire cotton brokerage of southern Europe in the Milan exchange.

The manufacturing and commercial world will exhibit at the International Exposition to be held jointly at Turin and Rome in 1911, in which there should be thorough American representation. Italian trade in the United States was greatly benefited by participation in the world fairs at Philadelphia, Chicago, Buffalo, and St. Louis, and the semicentennial of Italy in 1911 will prove a like medium for Americans to get in closer contact with the markets of that Kingdom.

REVIEW OF TRADE CONDITIONS OF ITALY.

By Consul James E. Dunning, Milan.

The year 1907, taken as a whole, was a good one for Italy. Up to October there was a steady continuance of that expansion and progress which had marked the close of 1906, and which had been manifesting itself in gradually increasing intensity for three years previous to the opening of 1907. The arrival of the world-wide depres-

sion, which became visible in Italy in October as elsewhere, caused a quick reduction of forces and a retrenchment, which was, however, the more easily accomplished on account of the good commercial history of the few preceding years. The last three months of 1907 were thus noteworthy for a marked decrease in activity and trade, but without any large degree of obvious commercial distress.

The year closed with trade, as a whole, determined on adopting for 1908 a more cautious policy than had obtained for the previous twelve months. This wise course will naturally reduce the volume of Italy's importations in 1908, and will probably be carried over in its larger effects into 1909, but in the course of a comparatively short time thereafter its wisdom and advantage will be apparent.

For the last two years Italy has in certain lines been overbuying and overproducing. Hence the present tendency to slow down is rather a return to normal conditions than anything like a business depression. The retrenchment was hardly anything more than a logical change of front to meet conditions forced outside of Italy. There were local causes, but they were met and passed.

Evidence of the sound foundation on which latter-day Italian trade is built up is seen in the record of failures, which dropped from 307 in 1905 and 522 in 1906 to 178 in 1907. Not included in these figures are failures for sums less than $1,000, the number of which fell from 122 in 1906 to 110 in 1907.

INCREASE IN THE VOLUME OF TRADE.

Italian commerce in 1907 amounted to a total of $923,000,000, of which $565,000,000 covered imports and $358,000,000 exports. The imports increased by $53,000,000 over those of 1906 and exports fell off by $8,000,000.

Raw cotton, the largest single item of import, was brought into Italy during 1907 to the value of $56,000,000, or $9,000,000 more than the value of such imports in 1906. Other of the larger imports for the year were in value as follows: Coal, $52,000,000, a gain of $3,000,000; cereals, $48,000,000, a loss of nearly $18,000,000; silk, $23,000,000; wood, $21,000,000, a gain of $3,000,000; wool and hair $18,000,000, a gain of $3,000,000; cocoons, $13,000,000, a gain of $200,000; raw hides, $10,500,000, a loss of $800,000; iron and steel, $11,000,000, a gain of $3,000,000; copper in plates, $9,500,000, a gain of $2,500,000; preserved fish, $7,400,000, a gain of $1,250,000; precious metals and stones, $6,800,000, a loss of $1,500,000; oleous seeds, $5,250,000, a gain of $800,000; mineral oils, $5,400,000; paints and varnishes, $5,000,000; leaf tobacco, $4,750,000, a loss of $200,000; coffee, $4,500,000; raw jute, $4,000,000; mineral phosphates, $3,500,000, a gain of $800,000; wood pulp, $3,000,000; sundry fats, $3,000,000, a loss of $800,000; raw mother-of-pearl, $3,000,000, a gain of $800,000; rubber, $2,500,000, a gain of $600,000; horses, $2,600,000, a loss of $800,000; tin plate, $2,250,000, a loss of $400,000; nitrate of soda, $2,000,000, a loss of $400,000; and sulphate of copper, $1,750,000, a loss of $1,000,000.

The exports from Italy for 1907, amounting to a total value of $358,000,000 in round numbers, fell off from the total value of exports in 1906 by about $8,000,000. Silk exports fell off by about $16,000,000, and egg exports and exports of olive oil by about $3,000,000 each. Other noteworthy decreases were those of firearms, $1,350,000; raw

tartar, $1,000,000; cotton yarn, $750,000; wool, sulphur, and butter, $600,000 each; coral, $550,000; raw hides, $400,000; and raw hemp and tow, $550,000.

On the other hand, among the largely augmented Italian exports during 1907 were fresh fruit, with an increase of $4,000,000; automobiles, $1,500,000; preserved fruits and vegetables, $1,500,000; wine in bottles, $1,300,000; flour, $1,000,000; hats $800,000; cheese, $600,000; oranges and lemons, $600,000; dried vegetables, $600,000; macaroni, etc., $550,000; marble and alabaster, $450,000; wool textiles, $425,000; and straw braid, silk textiles, and tartaric acid, $350,000 each.

In precious metals there was an importation to the total value of $6,800,000, a loss over similar imports in 1906 of $1,500,000; while exports from Italy of precious metals were in value $1,120,000, which was less by $450,000 than the value exported in 1906.

CLASSIFICATION OF IMPORTS AND EXPORTS.

The imports into and exports from Italy, by articles, during the past two years are shown in the following statement:

Articles.	Imports.		Exports.	
	1906.	1907.	1906.	1907.
Animals and their products	$28,820,568	$31,526,654	$30,365,821	$34,153,172
Cereals	65,631,744	48,851,259	42,738,993	56,055,932
Chemicals, medicines, etc	17,925,752	20,105,362	12,655,906	12,012,023
Cotton and cotton goods	52,984,248	63,431,589	26,629,888	25,581,311
Dyes and tans	7,000,908	7,335,034	1,772,728	1,251,681
Hemp, flax, jute, etc	8,771,284	9,358,688	15,001,557	14,370,988
Hides and skins	17,545,406	16,899,212	8,073,971	7,603,170
Minerals, metals, etc	94,278,166	120,986,657	12,032,605	11,629,294
Paper and books	7,108,881	8,879,943	4,682,614	5,144,813
Precious metals and coins	5,158,256	6,897,594	7,909,575	9,856,105
Rubber and gutta-percha	5,083,091	5,305,666	1,774,726	1,539,530
Silk and silk goods	42,962,822	43,592,604	134,227,859	118,174,346
Spirits, oils, etc	8,175,147	9,542,039	23,453,820	23,358,704
Stoneware, glass, etc	57,045,626	61,225,374	15,797,921	14,986,949
Tobacco, drugs, and spices	12,328,974	12,776,817	1,369,471	1,350,522
Vehicles	7,707,798	13,328,209	3,956,663	4,179,634
Wood and straw	22,037,775	25,479,147	9,717,443	10,172,928
Wool, hair, and furs	24,338,741	27,282,816	6,689,710	5,916,436
All other articles	27,349,644	32,451,716	1,597,152	1,121,504
Total	512,249,891	565,226,380	366,448,423	358,458,940

Imports of vehicles showed the heaviest proportionate increase, amounting to 72.5 per cent. This large advance was due to the purchase of freight cars for the State railroads. More vital increases were those in raw cotton, which advanced 19.7 per cent, and minerals, metals, and their products, which increased 28.46 per cent. The noteworthy decrease in imports was in cereals and cereal products, which fell off 25.6 per cent.

On the other hand, in exports the heaviest single item of increase was in cereals, which showed a gain of 31.2 per cent, while the heavy general decrease in exports was in large part due to the drop of 11.9 per cent in silk shipments.

The trade of Italy during 1907 with six leading countries was as follows:

Countries.	Imports.	Exports.	Countries.	Imports.	Exports.
United States	$72,603,705	$44,473,364	France	$47,260,489	$35,773,708
Germany	98,039,368	54,610,701	Switzerland	13,532,195	62,708,981
United Kingdom	94,610,164	28,736,349			
Austria	46,456,644	29,240,851	Total	372,502,565	255,543,954

The imports into Italy in 1907 from these six countries amounted to 66 per cent of the total and the exports thereto to nearly 74 per cent.

SOUTH AMERICAN TRADE.

Italy's trade with South America is largely with Argentina and Brazil. The principal articles of import from Argentina in 1907 were corn, dyes and dyestuffs, flaxseed, fats, and hides, while Brazil shipped large quantities of coffee and Chile contributed nitrate of soda almost exclusively. The imports in detail from these three countries for the past three years, stated in tons, were as follows:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
ARGENTINA.	*Tons.*	*Tons.*	*Tons.*	BRAZIL.	*Tons.*	*Tons.*	*Tons.*
Acid, tannic	432	1,125	560	Cocoa	308	563	329
Bone	785	608	274	Coffee	14,151	15,183	16,075
Corn	101,859	68,465	79,580	Ebony	62	176	81
Dyes and dyestuffs	14,878	17,500	16,653	Hides	716	1,193	666
Fats	9,544	7,321	7,156	Pepper	462	403	167
Fish guts	748	444	473	Rubber	133	143	133
Flaxseed	750	3,544	6,180	Sugar	29	171	111
Grain	11,180	21,399	995	CHILE.			
Hides	6,196	6,814	7,226	Soda, nitrate of	42,061	25,799	38,465
Wool	903	1,303	1,719				

The leading articles of export from Italy to the principal South American countries during the past three years are shown in the following statement:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
ARGENTINA.	*Tons.*	*Tons.*	*Tons.*	BRAZIL.	*Tons.*	*Tons.*	*Tons.*
Acid, tartaric	52	201	412	Calcium carbide	453	356	682
Calcium carbide	985	1,632	1,940	Cotton manufactures:			
Cordage	1,567	1,596	1,773	Textiles	413	324	329
Copper and bronze	38	61	55	Yarn	21	7	4
Cotton manufactures:				Fancy goods	253	200	47
Ribbons	33	44	54	Flax, raw	63	69	18
Textiles	7,952	10,041	8,341	Fruit, preserved	150	224	109
Yarn	1,503	1,658	1,102	Manna	22	59	26
Fancy goods	75	97	84	Marble, worked	3,455	4,354	5,373
Fish, preserved	264	202	144	Medicines	21	41	37
Fruit, preserved	1,532	1,557	2,086	Oil, olive	882	1,232	1,450
Furniture	189	395	443	Paper, etc	864	568	946
Hemp textiles	397	291	211	Rubber goods	31	32	30
Iron and steel	199	54	128	Spirits, wine, etc	11,429	10,314	12,886
Knit goods	75	80	188	Sulphur	803	409	816
Lace	85	86	90	Tomatoes, preserved	382	436	622
Macaroni, etc	133	166	193	URUGUAY.			
Machinery and parts	438	728	1,385				
Marble	14,780	15,977	17,639	Cotton textiles	133	40	2
Mushrooms	231	280	267	Marble, worked	1,904	3,377	571
Nuts	1,571	1,439	1,491	Oil, olive	389	819	940
Oil, olive	5,826	10,919	9,035	Wine	1,452	1,126	2,046
Paper, etc	2,128	2,349	2,052				
Rice	20,531	18,770	15,753	CHILE.			
Rubber goods	43	45	40				
Seeds	2,481	2,660	3,271	Cotton textiles	622	475	621
Silk goods	17	43	49	Vermuth	275	357	290
Skins	118	94	.....				
Sulphur	815	1,215	1,540	PERU.			
Spirits, wine, etc	26,448	26,202	29,005				
Tobacco	311	286	310	Cotton textiles	237	65	54
Woolen goods	387	239	276	Woolen textiles	15	10	1
Yarn	290	355	443				

SHIPMENTS OF HATS AND UMBRELLAS.

Not included in the articles of exports named are Italian umbrellas and hats, which are shipped to South American ports in large and generally increasing quantities. This export trade is fed almost entirely from Monza, one of the important manufacturing suburbs of Milan. There are no statistics showing shipments of straw hats from Italy to various countries, but the total export was 8,380,000 in 1907, as against 8,325,000 in 1906 and 6,090,000 in 1905. Exports of felt hats to South America were as follows in the last three years:

Destinations.	1905.	1906.	1907.
	Number.	*Number.*	*Number.*
Argentina	549,700	488,400	759,859
Chile	212,900	366,800	854,291
Peru	365,400	78,300	113,521
Total	1,128,000	933,500	1,727,671

Italy shipped 78,046 umbrellas to Argentina in 1907, 40,900 in 1906, and 50,100 in 1905. To Chile she shipped 151,056 in 1907, 98,100 in 1906, and 27,800 in 1905. Smaller numbers were shipped to Peru.

In both hats and umbrellas there was a large export to Central America in 1907, that group of countries as a whole being the heaviest single buyer of this class of Italian goods.

IMPROVED STEAMSHIP SERVICE TO SOUTH AMERICA.

An interesting feature of the steady development of Italy's trade connection with South America under her liberal policy of ship subsidies was the establishment during 1907 of further steamship facilities to handle the traffic. Late in 1907 there was announced a new fast passenger and freight service, with thoroughly equipped first-class liners. These boats cross from Genoa to Buenos Aires in sixteen days and from Gibraltar to Buenos Aires in thirteen and one-half days.

Heretofore the Italian steamship policy toward South America, successful though it has been, has concerned itself altogether with traffic from its own home ports to the River Plata, with occasional service to and from Brazil. Now, however, it has been able, through association with a very favorable time schedule for continental southbound express trains, to offer through connections from nearly every part of Europe. Thus the latest 1907 sailing bulletins of the Italian lines (now consolidated) gave the following advantageous direct communication between the Continent of Europe and South America via Genoa: To Buenos Aires via Genoa, from Basle, in sixteen and one-half days; from Biarritz, fifteen days; from Berlin, seventeen days; from Budapest, seventeen days; from Cologne, seventeen days; from Geneva, Lucerne, and Vienna, sixteen and one-half days; from Munich, sixteen and one-half days, and from Madrid (via Gibraltar, port of call), fourteen days. These connections have been bulletined throughout Europe, and no doubt will have an effect on the movement of traffic.

TRADE WITH THE UNITED STATES.

During the year 1907 Italy purchased of the United States merchandise valued at $72,603,705. The articles were:

Articles.	Value.	Articles.	Value.
Automobiles	$28,950	Oil, mineral	$3,349,322
Brass, bronze, etc	4,440,597	Paraffin	1,045,095
Cereals	6,347,577	Phosphates, mineral	671,061
Chemicals	674,149	Provisions:	
Coal	53,847	Meats and lard	1,567,160
Copper, sulphate of	146,873	Pork	430,197
Cotton, raw	38,785,473	Other	582,281
Fish	1,046,446	Rubber and gutta-percha	143,206
Hides and skins	244,531	Shooks and staves	507,590
Instruments, scientific	1,017,303	Stone and earthenware	305,712
Lead, raw	316,327	Tobacco	3,987,187
Lumber	2,597,587	All other articles	1,956,423
Machines and parts	2,023,412		
Oil, cotton seed	336,399	Total	72,603,705

The value of the articles of export from Italy to the United States during 1907 was $44,473,364. The largest items were raw and waste silk, valued at $16,663,134, and macaroni and flour, worth $3,381,939. The exports in detail were as follows:

Articles.	Value.	Articles.	Value.
Art objects	$389,088	Macaroni and flour	$3,381,939
Automobiles	209,598	Machines and parts	29,336
Braid, straw	396,615	Marble	964,421
Calcium citrate	543,874	Oil, olive	2,321,018
Cheese	2,081,119	Oranges and lemons	1,765,950
Chemicals, etc	831,058	Paper and books	434,829
Coral	167,138	Preserves	1,523,928
Cotton textiles	372,876	Silk, and manufactures of:	
Fruit, dried	1,458,694	Raw and waste	16,663,134
Furniture, etc	273,095	Ribbons and textiles	947,630
Gloves and hosiery	158,453	Other	80,095
Hats:		Sulphur	78,165
Finished	1,245,903	Tartar, raw	820,636
Unfinished	331,574	Tomatoes, canned	698,081
Hair, horse	173,314	Vegetable extracts	948,016
Hemp:		Wine and liquors	1,053,587
Linen and jute goods	391,211	All other articles	3,086,077
Raw and carded	338,329		
Hides, raw	314,783	Total	44,473,364

GROWTH OF THE COTTON TRADE.

Within the last twenty-five years the Italian cotton trade has become one of the country's most important industries. The value of imports into and exports from Italy of raw cotton, cotton textiles, yarn, brocades, etc., and waste during the past three years is shown in the following table:

Articles.	Imports.			Exports.		
	1905.	1906.	1907.	1905.	1906.	1907.
Cotton, raw	$35,685,957	$47,336,486	$56,387,134	$19,400	$18,803	$63,579
Waste				1,026,796	1,065,033	874,575
Textiles	1,203,791	1,657,968	2,106,717	14,258,458	18,388,308	18,438,308
Brocades, mixtures, etc	2,445,328	2,984,645	3,255,622	1,852,740	2,397,573	2,235,276
Yarn	974,474	1,005,149	1,683,116	4,224,025	4,760,171	3,969,567
Total	40,309,550	52,984,248	63,431,589	21,381,419	26,629,888	25,581,295

THE AUTOMOBILE INDUSTRY.

The Italian automobile industry was more closely concerned than any other branch of trade in the financial depression of the last quarter of 1907. Immense expansion of plants, the high expense of racing teams and cars, advanced cost of production from various causes, and the entry as sales of large consignments of chassis shipped into the export field left the industry in a condition unequal to the demands of the "crisis." The year 1908 began, therefore, at a very much more moderate pace. There were no important failures, but by the close of December, 1907, the stock of the important Italian companies engaged in this business had fallen to a low rate, due to an already encumbered market.

At the end of 1907 there were in Italy 80 manufacturers of automobiles, against 4 in Austria, 4 in Spain, 18 in Belgium, 33 in Germany, 62 in England, 111 in the United States, and 205 in France.

The movement of the Italian automobile trade during the past three years was as follows:

Year.	Imports.		Exports.	
	Number.	Value.	Number.	Value.
1905	671	$1,261,554	287	$703,793
1906	930	1,918,665	829	2,286,618
1907	725	1,595,403	1,283	3,896,765
Total	2,326	4,775,622	2,399	6,886,176

The automobile imports into Italy in 1907 came largely from France, with Germany second. Other countries concerned in this trade were Austria, Great Britain, Switzerland, Egypt, Tunis, and the United States. Automobile exports went from Italy to almost every part of the world, Switzerland being the heaviest buyer and France second.

Imports from the United States consisted of 52 cars of a weight of 1,100 pounds or less each, of a total value as declared at the customhouse of $28,950, while exports from Italy to the United States numbered 53 machines, valued at $209,598. As shown by these figures, the Italian machines sold in the United States were high-priced cars.

Forty-four Italian cars with a declared value of $150,000, were sold in Argentina in 1907; 22, worth $65,000, were sold in Asiatic Turkey; and 279, valued at $1,300,000, in Switzerland.

There were nine lines of public automobiles under Government direction in operation in Italy at the end of 1907.

VOLUME OF THE SILK TRADE.

The volume of the Italian silk trade in 1907 was $161,766,950, of which $43,592,605 were imports and $118,174,345 exports. In 1906 the volume of the trade was $177,190,681, of which $42,962,822 were imports and $134,227,859 exports. Thus, silk imports into Italy increased in 1907, while the great loss in the trade was due to the falling off of exports in the latter part of the year.

The movement of the silk trade during the past three years is shown in the following table:

Articles.	Imports.			Exports.		
	1905.	1906.	1907.	1905.	1906.	1907.
Silk, raw	$21,874,353	$23,040,352	$22,468,991	$90,515,516	$108,771,942	$93,104,432
Cocoons	10,022,170	12,126,348	12,579,339	543,061	518,867	507,116
Textiles	1,640,096	2,018,000	2,083,256	13,498,007	14,724,998	14,732,346
Goods	4,076,293	5,152,561	5,772,384	7,658,262	2,574,506	2,329,859
Waste	480,539	625,561	688,635	7,417,702	7,637,546	7,500,593
Total	38,093,451	42,962,822	43,592,605	119,632,548	134,227,859	118,174,346

The silk trade suffered heavily during the last months of the year, large numbers of spinners and weavers either closing down or going on short time. This was due largely to the sudden slack in orders, especially with relation to the trade with the United States.

The most important home event in the trade was the organization and operation of the special commission named in 1906 to study and reorganize the silk industry and to bring into better harmony its coordinate branches. The work of the commission had a good effect, and was particularly useful in the depression which arrived near the close of the year.

The expectation at the opening of 1908 was that recovery in the silk trade would be gradual but complete; and that manufacturing would be conducted on a reduced scale until well into the year. Meantime shipments had fallen off from 30 to 50 per cent.

OVERSTOCK OF SILK AND COCOONS AT CLOSE OF YEAR.

Italian stocks at the end of December included 336,681 pounds of silk, against 129,758 pounds at the same date in 1906; and 1,854,525 pounds of cocoons, as against 1,263,900 pounds at the end of December in 1906. This overstock is indicative of the state of the trade toward the close of the year. Added to this native stock was oriental silk and cocoons held in Italy, enough to raise the total to a point which, considering the state of the market, was extreme. Not including stock on the docks at Marseille, France, the total Italian stock in hand in December, 1907, as compared with December, 1906, was as follows:

Stocks.	Silk.		Cocoons.	
	1906.	1907.	1906.	1907.
	Pounds.	*Pounds.*	*Pounds.*	*Pounds.*
Italian	129,758	336,681	1,263,900	1,854,525
Asiatic	646,177	595,164	2,489,799	2,384,756
Levantine	176,594	42,016	793,954	2,555,832
Total	952,529	973,861	4,547,653	6,795,113

The stock at Marseille (on docks) at the end of December was reported to be 1,344,300 pounds of cocoons, against 268,400 pounds at the same date in 1906.

Economically, the temporary difficulty in the silk trade will have no bad effect on Italy as a whole, since the strong demand for field workers will give employment to t[illegible]icultu[illegible] side of the industry,

while the unemployed factory hands can find plenty of work at good wages in other advancing lines.

AGRICULTURE AND FORESTRY—WINE CROP.

Italian crops during 1907 were abundant in an average degree, and general conditions in that branch of the life of the peninsula were favorable. Immediate attention, however, is claimed by the demand for shorter hours and higher wages which exists throughout the more important agricultural provinces, and particularly in Emilia, the great grain-producing section.

Reports from the corn crop for 1907 showed a total of about 170,000,000 bushels, nearly twice that produced in 1906. Government statistics on the Italian wheat crop showed that it amounted to 177,687,079 bushels, as against 176,606,690 bushels in 1906.

Features of the year throughout Italy were the campaign against phyloxera, conducted by the Government quite successfully, and the continued free distribution of shrubs and vines for the benefit of enterprising farmers.

Further progress was made during the year in reserving additional forest areas, the total so protected at the end of 1907 amounting to 10,312,356 acres, not including the absolute reserves owned by the State. To assist the paper trade the State announced during the year a prize competition for the best results obtained in the cultivation of Canadian poplar.

The Italian wine crop for 1907 was the largest ever pressed in the country, the total output being 1,495,126,400 gallons, as against 786,288,880 gallons in 1906. This immense increase glutted the market and forced various relief measures, which had not, up to April, 1908, had much effect. The prospect at that time was that serious distress would be caused among the vintners, and particularly in the middle and south Italian provinces. Every effort has been made to market as much of the product as possible, and the Government has doubled the army ration of wine to further reduce the supply. Plans are forming for the organization of some central body for the association of the vintners and the control of the output in the future.

The prospect is that the Government will take steps toward enlarging the wine market and against the dilution of the product.

The marked decrease which has been noted in the Italian egg export trade for several seasons continued during 1907, when exports amounted to 22,858 tons, valued at $7,720,256, against 32,265 tons, valued at $10,890,213 in 1906. The distribution in 1907 by countries was as follows, in long tons: Switzerland, 6,105; United Kingdom, 5,154; France, 4,826; Germany, 2,642; Belgium, 2,479; Netherlands, 1,048; Austria, 444, and all other countries, 160.

DEVELOPMENT OF INLAND WATERWAYS.

Good progress was made during 1907 in Italy in the direction of the further development of the inland waterways of the Kingdom, and especially with relation to the most vital project of the canalization of the Po and its tributaries.

The Po canalization scheme, which has the encouragement of the State and which expects large subsidies from the treasury, is dependent at present on the concerted action of the abutting provinces and communes, whose ri ian privileges will be enhanced by

the execution of the plan. During 1907 large numbers of such local governments fell into the general line, and several subcentral committees were organized in various parts of north Italy. These are engaged in perfecting the study of the project and in the consideration of ways and means.

In the meantime the central committee at Milan is making reasonable progress toward definite action, which will certainly be undertaken within the next few years. The plan includes the canalization of the Po from at least as far up as Pavia to the Adriatic at Venice, and the enlargement of the existing mediæval canal system between Milan and Pavia. This will not only give a direct sea outlet to the great Milan market, but will assist in the commercial development of the whole valley and of the Italian lake region, which is already connected with Milan by canals. The present plan comprehends the movement of 600-ton barges.

INCREASE IN STEAMSHIP TONNAGE.

About 50,000 net tons in steam vessels was added to Italian register by launching in 1907, the greater portion of this increase being included in the four liners of La Navigazione Italiana, which will enter the trans-Atlantic service during 1908.

During the year La Navigazione, La Veloce, Lloyd Italiano, and Itala, the four great steamship companies of the country, were united under the direction of La Navigazione Generale Italiana. They have combined 42 steamers in commission, in addition to the 4 large liners mentioned above.

On July 1, 1907, there were in Italian register 397 steamers, with a total net tonnage of 501,071 tons, and 710 sailing vessels, with a total net tonnage of 396,084 tons, a total of 1,107 vessels and of 897,155 net tons. The gross tonnage of the 397 steamers was 823,325, to which may be added the 50,000 tons of the new steamers mentioned above, which makes the total number in Italian registry at the end of 1907, 401, with a gross tonnage of 873,325.

The port of Genoa more than held its position as the coming Mediterranean city, and there was during 1907 a constant increase in the amount of freight both landed and shipped. The total of freight debarked during the year was nearly 7,000,000 tons, and there was a heavy increase in the number of arrivals and departures of single vessels.

FINANCIAL AND BANKING CONDITIONS.

The total private weath of Italy was estimated at the end of 1907 to be $13,000,000,000, one-fourth of which is regarded as held in the consular district of Milan, one-fourth in the consular district of Turin, and the balance in the rest of Italy.

The 1907 statement of the Bank of Italy showed that the gold supply rose from $95,200,000 in 1904 to $180,000,000 in December, 1907, and the silver supply in the same period from $16,000,000 to $24,000,000. Of this supply, the amount of metal held by the Bank of Italy, as distinct from that carried in account current with the national treasury, rose from $150,000,000 to $180,000,000 during 1907, notwithstanding the retirement from circulation of about $4,000,000 in 5-lira ($1) pieces. During the year the gold reserve was increased by $26,000,000.

Discounts by the Bank of Italy in 1907 amounted to $450,000,000 and loans to $90,000,000. The total amount of paper money in circulation through the bank during the year was $250,000,000 (of which $140,000,000 was covered by metal reserve), an increase over 1906 of $35,000,000.

The gross profits of the bank for the year amounted to $7,100,000, a gain of $1,000,000. On discount operations alone the gain was $650,000. The net profit was $1,850,000, to which should be added $75,000 residue from the administration of 1906. One-twentieth of this sum was put by law to the reserve fund, the balance passing to the account of 1908.

By laws created during 1907 the scope of the bank's authority to make loans and discounts was enlarged, with a view to meeting the increased industrial demands of the country.

During the latter part of 1907 values of Italian securities fell off heavily as a result both of the general conditions prevailing at that time and of native influences. This recession of values was more superficial than real, but on account of the larger part of the trouble being in the automobile trade, always a spectacular stock and one likely to attract an undue quantity of attention from the public, the effect on the market and on the whole Italian financial fabric was severe. By the end of the year the market had recovered its tone as a whole. The special seat of the difficulty, however, showed no improvement, and 1908 opened with automobile shares quoted at almost any price and with that whole line of previously popular stocks broken down. At least another year may be necessary to put the trade on its feet.

Aside from the reflection of some of these temporary difficulties, the Italian financial interest closed the year in much better condition than might have been expected in a country where industrial expansion had been sudden and rapid.

GOVERNMENT OPERATIONS OF RAILWAYS.

All the Italian main railway lines are owned by the State, and since 1905 have been operated by the Government through a special department under a director-general and thirteen subdepartments responsible to him. The State mileage is now about 8,000. Prior to 1885 the main lines were operated by the Government, which in that year leased them to private companies. The companies remained in control until July 1, 1905, when, at the expiration of the first twenty-year period in the sixty-year lease, the Government exercised its option to take back the control and operation of the roads. This action was dictated by general complaints from all sections of the country against the quality of the service and of the rolling stock maintained by the private companies.

The total income from the State railroads increased from $39,129,075 in 1885 to $78,463,519 in 1907. The expenditures for the fiscal year ended June 30, 1907, amounted to $58,481,886 against $42,982,579 in 1906 and $43,316,681 in 1905.

At the close of the year there was prepared for presentation to Parliament (and introduced during March, 1908) a comprehensive scheme of State railroad appropriations, which amounted to about $30,000,000, to cover the period between 1907 and 1913. Most of this expenditure was planned for main lines, in forming better connections between the large trade centers of the country, and in creating

new avenues of commerce between Milan, the great industrial metropolis, and Genoa, the great port. The railroad budget of the Government for 1908 will also give large attention to secondary railroads and tram lines connecting the smaller centers with the cities. The general result of the reassumption of State operation of the railroads has been good, though the Government has not yet had time to put the main lines into the condition demanded by the increasing traffic.

LARGE EXPENDITURES FOR BUILDING TUNNELS.

Work on the second shaft of the Simplon tunnel was arranged for during 1907, so that this highly important additional link in the transportation systems of Italy and continental Europe will without further delay be put into the maximum condition for the reception and delivery of freight. Work on the Loetschberg tunnel in Switzerland, practically a continuation of the Simplon passage, intended to not only give Milan a direct connection with Berne, but to shorten the running time from Milan to Paris by several hours, was also undertaken.

The traffic through the Simplon tunnel in 1907 amounted to about 300,000 passengers and about 100,000 tons of freight, a very noteworthy net increase on both counts.

Further attention was given to the proposition to tunnel under Mont Blanc, a plan in which at present the French take much interest. The cost of the execution of this project is approximated at from $30,000,000 to $45,000,000.

Discussion is progressing with relation to further tunneling of the Alps, and specifically under the Splügen Pass.

LABOR CONDITIONS.

Italian labor conditions during 1907 manifested no unexpected tendencies. The difficulties experienced were those naturally incident to a state of industrial development too rapid to allow for immediate attention to wage scales. Particularly in the northern provinces strikes were of frequent occurrence, the most serious disturbance of that nature taking place at Milan and involving a general stoppage of all labor not concerned with the furnishing of street lights and public water supply. The year closed with very strong signs of a general movement among agricultural workers for higher pay and shorter hours through the entire Po Valley.

Little of a definite character was accomplished by the strikes during the year, but added emphasis was given to the demand for higher wages, which appears to be the coming feature of Italian industry. Advances in pay did not result from most of the larger protests undertaken by organized labor, trade being totally incapable of increasing the cost of production at the time in that direction. Much progress was made, however, in the line of shorter hours, and particularly for better conditions for women and children.

The general upward labor movement in Italy is a part of the social evolution through which the country has been passing since 1904, and the end of which is by no means yet in sight. It is the practical expression of the internal awakening which is transforming the national character and immensely broadening the national appetite for good living. While it is as yet futile to attempt to forecast the outcome of the situation, there is no lack of evidence that it will be

the determining factor in Italy's future, and that it will have a vital influence upon her economic progress and her ability to cope with competing nations, some of whom have heretofore felt the effect of her low wage scale as an item in production.

NEW MEASURES AND LAWS.

An important measure, promulgated on December 22, 1907, was the joint arrangement between France and Italy by which the consulates of each nation will report immediately cases of accident or death to the workmen of either nationality engaged within the boundaries of the other party to the arrangement. This measure was designed for the protection of the workmen's rights and to secure to them such compensation as may be due to them under any existing liability on the part of employers or others.

On December 19, 1907, the Council of State, sustaining an opinion of the ministry, ordered that thereafter all landowners and proprietors using scales and measures to fix the compensation of farm laborers must inscribe their names and addresses in the communal lists of users of weights and measures, and must submit to the biennial examination of their scales for readjustment.

On November 7, 1907, there was promulgated the law of July 7, 1907, requiring a Sunday closing for twenty-four hours every week for all lines of trade activity excepting pharmacies, news stands, and a few others, which are allowed to remain open all day, and markets. which are allowed to remain open for a portion of Sunday morning. This law also regulates personal employment on Sundays in cleaning, milk deliveries, custody of valuables, etc. It has been vigorously executed throughout the country.

IMPROVED BUSINESS CONDITIONS.

The ultimate question as to Italy's general condition at the close of 1907 is very well answered by a consideration of the labor market during the final three months leading to the opening of 1908. A tabulated statement covering 70 large employing companies and involving about 40,000 persons, showing the state of the labor market for the final quarter of 1907 in comparison with that for the third quarter follows:

Places.	Companies.	Workers employed.		
		Third quarter.	Fourth quarter.	Gain.
				Per cent.
Milan	41	20,813	22,051	5.95
Turin	16	9,354	9,843	5.23
Venice	1	442	590	33.48
Other	12	5,845	5,905	1.03
Total	70	36,454	38,389	5.31

In practically the same number of factories in these localities during the same periods of 1906 the degree of gain between the two quarters was 4.31 per cent, and this gain was sustained entirely by Milan and Turin, there having been a falling off in the other sections of Italy. It will be noted that for 1907 there was no falling off in any of the localities named.

As to the Italian labor market, as a whole, in its relation to the prosperity and advancement of the country during 1907, reports indicate that the year closed with hand labor in abundance (excepting at Milan), on account of the close of early winter work and the return of temporary emigrants from central Europe. At Milan there was an active demand for hand labor in the extension of construction work, thus showing no effect of any financial or other depression in the market at large. Though less intense than at Milan, the demand for hand labor was good throughout Italy at the beginning of 1908.

INCREASED COST OF LIVING.

Intimately connected with the conditions of labor and rising wage scales is the cost of living in Italy, which advanced very generally during 1907. Since this increase in the actual cost of subsistence is, in Italy, accompanied by a very noteworthy intensification of the popular appetite and a considerable broadening of the national food table, it may properly be considered as a part of the fundamental causes for the changing current of Italian social and economic life.

While Milan is the center of high Italian prices in all things, in showing the cost of food products at this place it is fair to take into account not only the fact of its immense industrial activity, but the large agricultural life which surrounds and sustains it. In other words, Milan is more nearly typical of Italian life as a whole than any other one locality in the Kingdom.

The statistics of prices at Milan, covering twelve articles of food, during certain specified years, are shown in the following table:

Articles.		1884.	1894.	1904.	1905.	1906.	1907.
Wheat	bushel	$1.23	$0.98	$1.29	$1.39	$1.35	$1.36
Corn	do	.84	.74	.87	1.01	1.18	.79
Rye	do	.93	.76	.92	1.02	1.05	.99
Oats	do	.47	.52	.48	.55	.57	.57
Rice	do	2.37	2.34	2.40	2.42	2.44	2.40
Wheat bread	pound	.036	.034	.035	.037	.038	.038
Corn bread	do	.029	.029	.03	.032	.033	.033
Beef	do	.125	.132	.14	.119	.123	.153
Butter	do	.216	.197	.206	.22	.215	.228
Lard	do	.172	.158	.154	.149	.149	.153
Oil	do	.197	.202	.18	.157	.162	.197
Eggs	dozen	.164	.169	.167	.183	.183	.196

While there have been very general advances since 1884, and even since 1904, the increase from 1906 to 1907 was not heavy. From 1906 to 1907, lard advanced in cost about 2.7 per cent; butter, 6.5 per cent; eggs, about 6 per cent; beef, 24 per cent, and edible oils, between 21 and 22 per cent, while the cost of rice diminished by about 2 per cent. Wages, however, increased on the average by about 10 per cent, so that the difference in favor of the wage-earner is considerable in the case of lard, butter, rice, and eggs, not to mention wheat bread and corn bread, the cost of which remained stationary.

GROWING DEMAND FOR MEATS.

The increase in meat consumption in spite of its higher cost is evident throughout the country. Thus at Genoa there has been an increase of 50 per cent in the consumption of meat in fifteen years, at Milan 50 per cent in seven years, and at Rome about 10 per cent,

together with an unknown augmentation of beef imports from surrounding territory and other parts of Italy. At Naples, since 1902, the number of beeves slaughtered has increased 150 per cent. At Milan, the increase in the amount of horse meat slaughtered for food is noteworthy, the number killed in the municipal abattoirs having risen from 4,586 in 1897 to 7,132 in 1907. Horse meat retails at 6 to 9 cents a pound.

The per capita consumption of meat in Italy is from 8.8 pounds per year in the extreme south to 163.43 pounds per year in the Province of Milan, where the largest consumption is noted.

EMIGRATION STATISTICS.

There is a marked tendency to reduce emigration from Italy, on account of the constantly increasing demand for hand labor throughout the country; but it may of necessity be some years before this check can take large effect.

The Italian commissioner of emigration reports that in 1907 there sailed, from the Italian ports and from Havre, for sundry destinations, 394,704 third-class passengers, of whom 25,115 were not Italians. Of this total 302,848 went to the United States, 80,649 to the River Plata, 13,169 to Brazil, and 1,402 to other countries. In 1906 the emigrants departing from the same ports were 440,338 in number, of whom 35,619 were not Italians, and of whom 310,976 went to the United States, 114,818 to the River Plata, 13,145 to Brazil, and 1,399 to other countries beyond the Atlantic.

The number of Italians returning to Italy during 1907 was 222,319, of whom 162,980 were from the United States, 41,076 from the River Plata, 16,084 from Brazil, and 1,179 from other transatlantic countries. Among this number were 1,529 excluded from the United States under various laws and 6,125 classed as indigents and repatriated by the Italian consular authorities or charitable societies. Among the indigents were 2,371 from the United States, 1,724 from the River Plata, and 2,030 from Brazil.

In 1906 the number of returning Italians debarking at home ports was 149,356, of whom 96,210 came from the United States, 52,230 from the River Plata and Brazil, and 916 from other countries. The return from the United States in 1907 was 66,770 more than in 1906. It is pointed out by the Italian authorities, however, that the percentage of return from America in 1907, 59.7, was much less than in 1904, when it was 89.07.

CASTELLAMARE DI STABIA.

By CONSUL NATHANIEL B. STEWART.

The population of the Castellamare di Stabia consular district numbers nearly 1,000,000. Most of the people are agriculturists, who cultivate grapes, olives, figs, oranges, lemons, nuts, and endless varieties of vegetables, both for home consumption and for export. There are, however, several commercial and manufacturing towns of importance, among which, besides Castellamare di Stabia with a population of 40,000, may be mentioned Torre del Greco with 32,000, Torre Annunziata with 28,000, Gragnano with 17,000, and Sorrento with 9,000, all within the district of Castellamare di Stabia in the

Province of Naples, and Salerno with 35,000, Cava with 22,000, and Nocera Inferiore with 17,000, all within the Province of Salerno.

Of the cities named, Castellamare di Stabia, Torre Annunziata, Torre del Greco, and Sorrento, all on the Bay of Naples, and Salerno, on the Bay of Salerno, are ports. Only at the first two of these, however, at each of which there is a very good harbor, is there any but local shipping.

RAILROAD FACILITIES—ELECTRIC-LIGHT PLANTS.

The cities, as well as many smaller towns and villages of the district, have very good railroad facilities for handling both passengers and freight, and Sorrento and Castellamare di Stabia, which are 10 miles apart, are connected by an electric tram line with excellent passenger accommodations. Between Castellamare di Stabia and Naples, the State, in March, 1907, as an experiment to determine its practicability, reduced first-class passenger fares on its railway 40 per cent, abolished second-class, and reduced third-class 50 per cent. The rate now in effect between these cities is 2.137 cents per mile, first-class, and 1.1 cents, third-class. Freight rates were not reduced. In October, 1907, as a further test, the same reduction in rates was made between Naples and Salerno, and seems likely to continue in force.

Every city and town of any importance is equipped with either a gas or an electric lighting plant, and in most instances with both. Lighting plants are owned by private companies, which supply gas at 6.1 cents per cubic meter and electric lights at about 13.5 cents per kilowatt. The company which supplies Castellamare di Stabia is at present enlarging its plant by an expenditure of about $100,000 to meet growing needs. In Torre Annunziata the same company has recently installed a new, well-equipped electric plant at a cost of about $600,000. As a rule manufacturing establishments own their lighting and power plants; but from lack of means the majority of the population do not use either gas or electric lights in their dwellings or shops. Public plants, for this reason, do not furnish proportionately nearly the same number of lights as would one in a city of the same population in the United States. This accounts for a greater cost than there apparently should be.

WATER SUPPLY AND TAX RATE—MANUFACTURING INTERESTS.

All cities and most of the small towns of the district are supplied with very good water brought from the near-by mountains. The water is furnished by the municipality in each instance, and, aside from public fountains which supply the poor, is carried into private buildings wherever required at about 7.72 cents per cubic meter.

Tax rates—municipal, provincial, and State, each of which is based upon income in some form or other—are not unreasonable as compared with those of the United States, and are practically the same as for the past several years.

As to manufacturing interests the chief articles produced in the district are macaroni, wine, olive oil, coarse cotton fabrics, silk goods, and some hardware. The macaroni industry has developed more than any one of the others during recent years, the output showing a steady increase, due to an increase in both home and foreign consumption.

In Castellamare di Stabia there is a Government shipyard, where many war vessels and other Government craft are constructed and from which two cruisers of 10,000 tons each are to be launched in 1908. Improvements, for which an appropriation of about $100,000 was made in 1905 and to which subsequent allotments have been added, bringing the total to near $200,000, are now going on to increase the safety and docking facilities of the yard. Also, in Torre Annunziata, there is an important Government manufactory of small arms.

EXPORTS TO THE UNITED STATES.

The declared exports from this consulate to the United States, including those from the agencies of Capri and Sorrento, for the year 1907 showed a marked increase over former years. The total in 1905 was $2,455,277; 1906, $2,734,638; and 1907, $3,641,708. The increase in the total in 1906 over that of 1905 was about 10.3 per cent, and in 1907 over 1906, 25 per cent. Macaroni exports, which amounted to $1,904,099 in 1905, increased to $2,195,429 in 1906 and to $2,683,951 in 1907. However, this item, which formed 77.5 per cent of the total in 1905 and increased to 80 per cent in 1906, fell to 74 per cent in 1907. Cheese, nuts, including several varieties, wine, and tomatoes, which followed macaroni in the order named in their values as exports, increased their percentages of the total over former years.

The following is a summary of the values of all the articles exported from Castellamare di Stabia to the United States during the past three years:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Beans	$7,812	$7,774	$6,532	Sausages	$2,961	$8,058	$3,190
Cheese	156,464	205,309	239,732	Tomatoes	5,018	11,156	25,679
Chestnuts	6,562	16,410	48,996	Walnuts	4,247	3,004	18,067
Figs, dried	3,932	3,673	5,703	Wine	12,130	27,570	35,134
Filberts	5,991	4,349	11,157	All other articles	27,378	19,709	26,835
Garlic	5,494	7,181	8,335				
Macaroni	1,904,099	2,195,421	2,683,951				
Oil, olive	5,712	7,432	6,657	Total	2,147,300	2,517,046	3,119,968

The exports from the agency of Capri to the United States during 1905 were valued at $2,225; 1906, $13,237; and 1907, $1,255. The items in 1907 were paintings and drawings, worth $772, and household effects, $483. During the same years the exports from the Sorrento agency to the United States amounted to $305,753, $204,355, and $520,486, respectively. The principal articles in 1907 were: Beans, valued at $7,937; filberts, $20,058; garlic, $6,648; lemons, $139,518; olive oil, $10,431; oranges, $102,391; preserves, $6,094; walnuts, $218,021; and wine, $1,081.

ARTICLES OF IMPORT—SHARE OF THE UNITED STATES.

Owing to the fact that the greater part of the imports, either raw or manufactured and from whatever country, consumed in this district are entered through Naples and go to make up the commerce of that port, it is impossible to secure accurate statistics on the subject. Through the Italian customs officials, however, the data concerning the imports through the four ports of the district, viz, Castellamare di Stabia, Torre Annunziata, Torre del Greco, and Salerno, were pre-

pared, and show the following leading articles of import in 1907, quantities being given in pounds:

Articles.	Pounds.	Articles.	Pounds.
Aluminum	33,069	Iron	58,073,049
Bitumen	12,938,806	Linen, hemp, and jute goods	2,282,224
Breadstuffs:		Machinery	14,760,190
Barley	123,458	Metals, raw	424,298
Biscuits	1,006,998	Oil:	
Bran	4,007,501	Mineral	2,771,282
Corn	4,382,429	Petroleum	732,205
Flour	8,818	Rubber goods	22,806
Wheat	323,882,673	Skins	374,782
Cars, railway	15,342,576	Sugar	5,096,844
Cheese	1,827,951	Tar	285,386
Coal	439,742,635	Tiles	103,972,163
Copper, brass, etc	884,635	Utensils	1,437,258
Cotton goods	117,762	Vegetables, dried	1,416,224
Fibers, vegetable	68,698,631	Wood, common	46,824,892
Fish	37,984,927	Wood for furniture	13,897,933
Furniture	4,147,295	Woolen goods	29,045,985
Hair, vegetable	6,172,880		

The imports from the United States consisted of the following articles, quantities being given in pounds: Bran, 444,037; carriages, 3,164; chocolate and cocoa, 11; coffee, 121; assorted cord, 2,683; cotton goods, 71; fish, 22,046; fruit, 83,775; sacks, 4,484; preserves, 3,307; glassware, 7,716; sugar, 44; petroleum, 571,342; wood and iron utensils, 44; dried vegetables, 110; wheat, 86,573,246; and wood, 179,200.

Included in the articles of import were 30 first-class passenger coaches, valued at $370,000, exclusive of duty, which were delivered to the Italian Government by an American company. This company has also contracted to furnish the Government 500 box cars at a cost of $1,255 each and 500 coal cars at $850 each, including duty. To carry out its contract the company purchased about 5 acres of land in Castellamare di Stabia and constructed temporary shops thereon, where it puts together the cars after they are manufactured by an English branch of the firm and crated here. Though coming by way of Great Britain these cars are really American imports.

IMPORTANCE OF CORN AND WHEAT IMPORTATIONS.

Especial attention is invited to corn and wheat importations. The corn comes mostly from the Balkan States and is used for feeding hogs and for the manufacture of alcohol. A small quantity is also consumed as food. It is sold here, including freight and duty, at about 80 cents per bushel. Of the wheat, that imported from Russia, Roumania, and Bulgaria is largely of the "Durum" variety, is laid down here at about $1.50 per bushel, including freight and duty, and is used almost exclusively in the manufacture of macaroni, while that from the United States is partly made into bread for home consumption and is partly exported as flour to Egypt. On all imports of wheat exported a rebate of the entire duty is granted by the Italian Government, which makes it profitable for millers here to import solely for grinding for exportation.

From the foregoing it would appear that American dealers might compete with the Balkan States and with Russia in supplying Italy with all necessary corn and "Durum" wheat and that Egypt might also offer a field for the sale of American flour.

BIG MACARONI TRADE.

There are in this district 90 factories of importance doing an export business with an annual output of about 240,000,000 pounds of macaroni. In addition there are numerous smaller plants which manufacture for the home market only. These factories require about 7,500,000 bushels of wheat, which costs about $8,500,000, including the freight but not the duty. Of the total macaroni output of this district, amounting to upward of $10,000,000 in value annually, 45 per cent is exported, of which the United States purchases about 35 per cent. Other things being equal, this would seem to be very much in favor of American dealers furnishing the raw product, or the greater part of it.

In woods, of which there are large imports, that which comes mostly from Austria-Hungary is fir. With this class American pine might compete if a favorable freight rate could be obtained.

FLORENCE.

By CONSUL JEROME A. QUAY.

Florence can not properly be called a commercial city. With the exception of straw goods, wine, olive oil, and agricultural produce, the main business is done in artistic goods, such as marble and alabaster statuary, marble columns, paintings, carved gilt frames and furniture, terra cotta, majolicaware, and antiquities, and the city largely depends on the support of foreign travelers, chiefly Americans and English, followed in importance by Germans, French, Swiss, Russians, etc.

The condition of the straw hat and braid industry in 1907 was good. The exportation of Tuscan fancy straw articles is, however, decreasing somewhat, owing to the competition of Chinese and Japanese manufactures, but Tuscan straw braids and straw and chip hats are still in good demand, especially in North America.

The street car service, owned and operated by a Belgian company, has now been extended to all the gates of the city, and the omnibus service has been in a great measure discontinued. Some 47 miles of tramways have been laid within the city, and almost the same outside the gates. About 120 cars of Italian and Belgian manufacture are employed in the service, and the number of passengers carried during the year was 20,000,000.

Tuscany is an important agricultural district, the most noteworthy products being wine and olive oil, which are extensively exported. The olive-oil crop has not been a favorable one in some parts of the district, owing to heavy hail storms during the autumn. The exportation of oil was therefore very limited. The wine crop of 1907 was, on the other hand, one of the best both for quantity and quality. The production is increasing every year, new plantations being added, and peasants becoming more skillful and better educated. The export trade in this line is very active.

TRADE WITH THE UNITED STATES.

The principal articles imported from the United States in 1907 were bicycles, hardware, machinery, stoves, cereals, meat, lard, and

bacon, petroleum, tobacco, chemical products, cotton, boots and shoes, etc. The exports recorded at this consulate to the United States during the past three years were as follows:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Alabaster goods	$73,158	$67,848	$119,950	Skins and hides	$107,482	$102,176	$16,337
Antiquities	60,163	80,802	33,752	Statuary, marble	98,371	61,162	183,126
Books	15,700	26,592	16,646	Straw hats and braids	915,365	1,024,110	1,732,636
Bronzes	21,773	18,336	22,673	Terra cotta	11,922	16,792	23,169
Furniture	10,518	45,478	64,807	Tin in sheets			150,400
Majolica	10,890	15,019	4,550	Wine	36,389	47,193	176,161
Medicines	1,484	8,440	9,509	All other articles	102,629	224,004	107,335
Oil, olive		6,625	7,980				
Paintings	70,909	75,438	74,710	Total	1,563,023	1,844,312	2,760,088
Porcelain and china	26,270	24,297	16,397				

The value of the exports declared at the Bologna agency to the United States in 1907 was $1,232,552, which makes the total shipments from the district to the United States $3,992,640, an increase of $2,148,328 over 1906.

GENOA.

By Consul David R. Birch.

A yearly résumé of the commerce of Genoa must always be a review of the activities of its shipping and its work as a port. Genoa in a wide commercial sense and in its relation to the world's traffic is a terminus—a place where merchandise and human freight change from railroad car to steamer and vice versa. It is neither a place of origin nor a point of destination.

The most reliable statistics indicate that over 6,500,000 tons of steamship cargo are loaded and discharged annually. The exact figure for 1907 is 6,550,146 tons, of which 5,732,002 tons represent imports and 818,144 tons exports. The aggregate bulk is 158,603 tons less than in 1906.

Exports increased 18,825 tons over 1906, while the imports fell off 177,428 tons, notwithstanding that the high mark of coal importation, 3,000,000 tons, was reached last year.

GROWTH OF THE COAL-IMPORT TRADE.

The amount of coal importations into Genoa last year was 3,002,863 tons, an increase over 1906 of 244,944 tons.

Savona, the largest port between Genoa and Marseille, is rapidly coming to the front as a coal-importing center, doubtless owing to the difficulty experienced at this harbor in handling this tremendous trade. Ten years ago Savona was discharging less than 500,000 tons annually, while last year 1,013,890 tons were handled. The growth of the coal import trade at Genoa is best shown by a comparison of last year's trade with that of ten or twenty years ago. In 1887 the imports of coal amounted to 1,196,788 tons; 1897, 2,109,861 tons, and 1907, 3,002,863 tons.

It may be estimated that 4,000,000 tons of foreign coal pour into this section yearly—ample proof of the industrial activities of the north of Italy. Less than 1 per cent, or 25,762 tons, were from the United States last year. The rapidly increasing use of coal fires for

house heating, which is a comparatively new local idea, would seem to give an opening for the sale of American anthracite, which is undeniably better coal than the anthracite from Swansea, Wales, now selling at retail in Genoa for $12 per ton.

INADEQUATE FACILITIES HINDER SHIPMENTS OF COTTON.

The lack of a sufficient number of railroad trucks for the transportation of raw cotton to interior points after its arrival by sea is alleged as the reason for the importation of 74,213 bales less in 1907 than during the previous year. Cotton importers say that owing to delays in securing prompt transportation from Genoa to the factories of the north of Italy late in 1906, and continuing into the first few months of last year, the buyers of northern Italy were compelled to send their late orders for the arrival of American cotton through the ports of Bremen, Hamburg, Antwerp, and Havre. During the period of congestion many thousands of bales of cotton lay for months upon the local piers.

That these conditions had the effect of diverting this trade toward other ports is shown by the figures of cotton importation at Genoa during the last four months of each year, as follows: In 1906, 198,744 bales, and in 1907, 77,634 bales.

It is believed that with adequate railroad facilities this lost trade could be regained and even augmented, because of Genoa's superior position as a receiving station. An annual importation of more than 750,000 bales is thought probable at Genoa if the Italian cotton-fabric industries of Piedmont and Lombardy are assured of prompt delivery by rail.

The importation of cotton by bales into Genoa from the world's producing centers during the past two years was as follows:

Countries.	1906.	1907.
	Bales.	*Bales.*
United States	492,190	382,075
India	121,579	161,143
Egypt	49,196	42,158
All other countries	21,863	25,239
Total	684,828	610,615

Italy had excellent crops in 1907, and there was no need to buy from other markets to the same extent as in former years. Of the 363,321 tons of wheat imported at Genoa, 294,963 tons were from Russia, 36,797 tons from the United States, and 21,401 tons from Argentina.

TRADE WITH THE UNITED STATES.

Although the importations at Genoa fell off in volume last year, the sales of American products amounted to $40,244,057, which were greater by $2,563,059 than in 1906. The major part of this merchandise was consigned to the interior. Aside from the noticeable increase in the use of American typewriters and shoes, both leather and rubber, and the big sales of lard and lumber, there were few features of this trade differing from other years.

The principal articles of American production and manufacture imported into Genoa for distribution throughout northern and central

Italy are found in the following list, showing a comparison of sales for the past two years:

Articles.	1906.	1907.	Articles.	1906.	1907.
Acid, tannic	$155,938	$1,182	Iron and steel manufactures—continued:		
Asbestos	109,921	277,495	Utensils	$91,302	$62,094
Beer, bottled	2,709	4,372	All other	66,229	106,401
Bones	47,937	15,734	Lead	59,013	183,594
Breadstuffs:			Leather, and manufactures of:		
Corn	89,825		Unmanufactured	47,672	110,135
Flour	6,256	12,229	Shoes	8,684	28,299
Oats	10,453		Nickel, crude	170,160	135,456
Wheat	67,018	144,086	Oil:		
Chemical products	23,326	7,451	Cotton-seed	24,972	2,738
Coffee	33,966	201,356	Petroleum	96,369	96,855
Copper, raw	1,527,726	3,788,341	Paraffin	166,367	58,137
Copper, sulphate of	119,134	14,588	Phosphate, mineral	460,814	461,021
Cotton, raw	26,871,799	26,975,945	Provisions:		
Dye extracts	42,151	63,661	Lard	410,820	1,469,133
Electrical goods	40,128	14,850	Meats, salted	19,510	7,165
Fertilizer	34,961		Pulp, wood	877	15,253
Fruit, dried	16,813	16,542	Resin	340,340	344,380
Grease	992,086	1,021,546	Rubber shoes	32,900	44,648
Gutta-percha	326,734	87,145	Skins	46,740	48,847
Iron and steel manufactures:			Tobacco	868,202	638,707
Bar	1,102	5,412	Turpentine	166,026	141,604
Instruments	11,523	35,397	Varnish	61,304	19,171
Machines and machinery—			Wood, and manufactures of:		
Electrical	170,706	123,311	Furniture	51,726	17,665
Parts	992,767	480,501	Lumber	1,515,608	1,893,350
Sewing	33,825	28,625	Staves	649,563	385,864
Steam	49,782	67,055	Utensils	31,040	43,302
Pig	46,773	24,121	All other articles	179,802	135,677
Pipes	50,783	43,816			
Scrap	156,505	14,993			
Springs	9,806	14,057	Total	37,681,998	40,244,057
Typewriters	134,114	310,356			

CLASSIFICATION OF EXPORTS.

The leading articles of export from Genoa are food products, the sale of which to the United States increased last year by almost $250,000. Olive oil, macaroni, wine, cheese, and fish in oil form the bulk of the export trade, the value of these five products bought by American houses last year being $766,894.

The total value of exports declared at Genoa to the United States during the past three years was as follows:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Anchovies	$23,318	$35,881	$36,596	Macaroni	$92,138	$107,930	$174,686
Automobiles	3,000	31,030	43,793	Manna	7,183	16,653	15,367
Bagging, old	23,246	47,889	46,766	Mushrooms	10,441	4,211	19,808
Beeswax	8,202		4,179	Oil, olive	128,710	195,770	253,952
Cheese	88,039	96,512	114,886	Olives	310	1,083	1,061
Cherries, preserved			42,227	Paper stock	675		2,564
Chestnuts	13,793	15,988	9,830	Plumbago	2,394	3,934	5,312
Cotton, and manufactures of:				Rice	45,058	65,166	62,199
Waste	127,734	84,335	14,054	Rope, old	9,703	17,010	22,204
Fabrics	41,312	27,796	14,386	Sardines	5,424	6,913	4,171
Fish:				Talc	7,878	20,042	26,532
In oil	62,189	52,330	79,691	Tartar, crude	11,230	12,664	17,717
Salted	2,902		4,341	Tin, sheet		32,280	24,076
Garlic	899	3,446	8,456	Tomatoes, paste and preserved	1,427	6,736	16,199
Gloves	19,692	22,057	29,685	Wine	70,209	81,615	143,678
Glue stock	58,220	33,097	17,774	Wine lees	10,156	11,557	15,726
Glycerin, crude	69,299	42,406	95,620	All other articles	102,351	160,793	165,180
Hides	1,392	6,912	11,875				
Lace	522	20,444	10,501	Total	1,048,286	1,253,572	1,488,042

EMIGRATION AND LABOR CONDITIONS—PUBLIC IMPROVEMENTS.

The prosperous condition of the industries of northern Italy and excellent field crops kept the laborer at home last year and brought back many Italians from America. Departures of steerage passengers from Genoa numbered 31,878 less than in 1906, and the arrivals increased by 28,610. The movement to and from Argentina was especially noticeable. For that country there were 33,655 less steerage departures, and the number of Italian workers returning from the River Plata district was almost double that of the previous year. Emigration to the United States was less affected, and neither the prosperity of northern Italy nor the American financial crisis late in the year appeared to deter the departure of laborers of this section for the United States. In fact, the number of emigrants leaving Genoa for the United States in December last, when the crisis was most acute, was 130 in excess of the corresponding month in 1906.

The extent of the movement of third-class passengers at this port during the past two years is shown in the following table:

Countries.	Arrivals.		Departures.	
	1906.	1907.	1906.	1907.
United States	3,372	3,810	17,209	18,252
Argentina	23,756	45,548	109,344	75,689
Brazil	11,659	17,689	10,710	11,459
Central America	571	1,021	1,097	1,141
Orient	382	323	550	539
Other countries	41	.....	577	529
Total	39,781	68,391	139,487	107,609

The labor disturbances in Piedmont and Lombardy late in the year did not extend to this district. In fact, it is generally believed that the timely action of the local "Consorzio," the autonomous body regulating the employment of workmen in the port, in refusing to participate in a "sympathy" strike with railroad operatives of Milan and Turin had a marked effect in bringing about a settlement of a labor movement which was likely to cause widespread distress among the workingmen of northern Italy and immense loss to industrial concerns.

During the year there were strikes of the bakers and the tailors and of gas-plant employees, but these were of short duration. Each was settled by compromise.

The steadily continuing movement to provide adequate accommodation for the increasing population of this city has resulted in the dotting of the mountain sides surrounding Genoa with many apartment houses fitted with the most modern improvements. Ninety-eight such buildings, containing 1,782 apartments, were completed during the year.

The development of the suburb of San Francesco d'Albaro into a place of residence for the middle classes is progressing rapidly, and rocky bluffs and steep ravines will soon be transformed into broad streets lined with pretty villas and apartment houses capable of accommodating approximately 150,000 persons. It will practically mean the building of a new city, but purely a residential one.

SAN REMO AGENCY.

By CONSULAR AGENT ALBERT AMEGLIO.

San Remo has not yet developed as a commercial port; its exports are via Genoa, to which they are shipped by rail. The value of the exports declared at San Remo for the United States during the calendar years 1905, 1906, and 1907 was $112,062, $214,610, and $252,512, respectively, of which olive oil composed $107,494, $209,460, and $230,067, respectively.

Exporters say that the rapid development of the olive-oil trade has been due principally to the desire to replenish the stocks of olive oil at San Francisco, which were destroyed by the earthquake; while its use by Italian workmen in the United States for cooking purposes and salad dressing has contributed largely to the general increase in its exportation from all Italy. The latter explanation is also given for the growth of the sales of fish in oil, and of preserves, consisting of tomato extract used for macaroni dressing, canned peas, and beans, of which the Italian laboring classes are very fond.

The appended table shows the exports from San Remo to the United States for the last three calendar years:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Fish	.....	$983	$5,594	Preserves	$129	$843	$3,838
Furniture	$1,810	1,989	2,380	All other articles	916	174	8,580
Mushrooms	1,166	860	81				
Oil, olive	107,494	209,460	230,067	Total	112,062	214,610	252,512
Palm leaves	547	301	1,972				

LEGHORN.

By CONSUL ERNEST A. MAN.

The foreign commerce of Leghorn for 1907, while showing a decrease as compared with the preceding year, was greater than for any one of the ten years preceding 1906. In fact there has been quite a steady increase for over a decade.

There are no statistics available of the navigation and commerce of this port for the year 1907, but the Leghorn Chamber of Commerce has furnished an estimate of the trade for the year together with the figures for the preceding nine years, which are as follows, quantities being given in metric tons:

Year.	Imports.	Exports.	Year.	Imports.	Exports.
	Met. tons.	*Met. tons.*		*Met. tons.*	*Met. tons.*
1898	520,046	83,848	1903	582,776	105,784
1899	488,480	97,641	1904	601,483	111,493
1900	533,915	88,198	1905	499,280	63,139
1901	584,937	79,712	1906	702,408	58,808
1902	595,844	98,338	1907	690,212	56,752

Some American manufactured goods are to be found here, but they are limited in both variety and supply, comprising very little beyond shoes, typewriters, cash registers, phonographs, photographic materials, pharmaceutical products, canned meats, and breakfast foods.

The Germans control many branches of the local market, but they have of late years been feeling the competition of the British manufacturers. There would seem to be a good field for many lines of American goods in this district, as it is almost purely an agricultural province, and there is considerable wealth in the cities in established trade; moreover, there is a direct line of steamships running between New York and Leghorn, with which no doubt favorable freight rates could be secured.

DECLARED EXPORTS TO THE UNITED STATES.

The value of the exports declared at Leghorn to the United States in 1907 was $2,780,248, against $2,389,218 in 1906 and $1,842,969 in 1905. The articles were:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Alabaster work	$25,493	$24,298	$24,309	Marble	$16,535	$16,227	$14,275
Anchovies	6,713	11,103	9,556	Mushrooms	8,168	6,154	18,728
Argols	46,998	73,456	93,147	Oil, olive	721,839	1,069,412	1,191,374
Beans	6,121	12,917	25,870	Orris root	12,092	30,464	19,256
Beeswax	6,233	9,462	10,289	Rags	46,662	64,565	65,653
Berries, juniper	6,695	9,675	9,481	Rice	5,010	5,744	9,762
Boracic acid	22,631	19,383	18,736	Sienna earth	14,443	16,798	18,443
Brier wood	100,481	142,589	258,377	Soap	178,716	206,757	183,688
Cheese	340,993	244,470	310,772	Tin			23,160
Citron, candied	24,389	108,090	108,085	Umber earth	16,770	13,942	15,599
Fruit, dried	17,142	11,680	30,510	Wine	61,947	85,297	103,611
Glycerin	7,806	5,670	1,748	All other articles	134,857	152,704	99,144
Glass	959	8,763	11,277				
Hemp	10,191	29,494	20,057	Total	1,842,969	2,389,218	2,708,248
Hides	3,685	10,164	13,351				

MESSINA.

By CONSUL ARTHUR S. CHENEY.

The past year was an exceptional one for the commerce and industry of this consular district, as well as for all Sicily, and to a great extent directly reflected prevailing conditions in the United States. In the beginning there was the greatest prosperity in many years. Prices were very high for all sorts of Sicilian products, growers and dealers were making large profits, and increased production was being encouraged in many directions. When the crisis developed in the United States all was changed, and the year closed with severe losses to those who had traded upon a continued high-price basis.

However, taking the year as a whole it was a good one in total amount of business done, and even some new records for exportation were established. The fear is that the great depression during the closing months of 1907 may seriously affect the 1908 record, though this fear is believed by many to be groundless and that the fall in prices will ultimately mean simply a return to normal from the unnaturally inflated values of the past " boom " period.

FRUIT AND NUT CROPS.

The lemon year in Sicily ends September 30. The 1907 crop was 25 per cent larger than the previous year, and the trade was exceedingly prosperous for both growers and dealers. Speculation, which was partly in consequence of the boom in the United States, increased

prices to more than had obtained for twenty-five or thirty years. This applied to lemons in boxes, citrate of lime, and lemon oil. The present crop (1907–8) will be larger than the preceding one. Owing to the high prices of last season, fertilizing and irrigation, without which lemons can not be successfully grown here, were greatly encouraged.

Unfortunately, the increased supply has coincided with a decrease in demand, principally as a result of the crisis in the United States. Shipments indicate a falling off in this demand of 20 per cent. Naturally the greater supply and smaller demand have caused a heavy fall in prices. In many instances the prices at which lemons in boxes have been selling in New York and London have left no net proceeds at all for the fruit.

The prices of citrate of lime and of essential oil of lemon are about half those ruling at the same time last year, thus, in reality, returning to normal values.

The bergamot crop of 1907 was rather small, but of excellent quality. Owing to this article having been less affected by speculation, prices for bergamot oil have not fluctuated so much as for lemon products.

The production of oranges was a good one. Prices ruled somewhat lower than the previous year. The orange trade in Europe is now practically independent of that of the United States. About 70,000 bags of 220 pounds each of filberts were produced, against 58,000 bags in 1906 and 80,000 bags in 1905. A large portion of the 1907 crop of filberts was of low grade, due to continued wet weather at harvest time. There was an average crop of almonds, amounting to from 70,000 to 80,000 bags.

IMPORTS AND EXPORTS.

The total value of imports into Messina during 1907 was $4,377,331. The following statement shows the principal articles, together with the share thereof from the United States:

Articles.	Total.	United States.	Articles.	Total.	United States.
Bags, cotton	$10,160	$479	Oil:		
Benzine	1,954	1,954	Petroleum	$554,586	$379,949
Boots and shoes	5,518	5,280	Resin	10,211	6,292
Breadstuffs:			Plates, iron and steel	66,631	.....
Barley	14,303	.....	Provisions:		
Corn	132,042	.....	Bacon	1,542	1,542
Wheat	527,973	79,837	Fats	36,661	18,218
Clocks	1,248	1,181	Lard	42,298	42,298
Coal	992,547	158,791	Skins	464,778	48,941
Coats of mail, cotton	5,404	5,404	Tissues:		
Coffee	55,584	438	Cotton	9,811	401
Engines, steam	10,756	.....	Other	10,011	9,997
Furniture	5,938	262	Utensils	1,161	1,002
Gum, resin, etc	5,254	4,016	Varnish	3,250	52
			Wood, common	554,238	14,514

The total amount of coal imported into Messina in 1897 was 87,175 tons, of which the United States furnished 41 tons. In 1907 the total amounted to 200,749 tons, the United States supplying 35,746 tons, showing a very largely increased consumption of United States coal.

The total exports from Messina during 1907 amounted in value to $9,974,775, the leading items being as follows:

Articles.	Value.	Articles.	Value.
Almonds, shelled	$417,731	Lemon juice, crude	$16,641
Casks	36,863	Licorice juice	86,104
Cheese	34,887	Macaroni	104,022
Citrate of lime	1,022,729	Oxide of iron	89,577
Cotton tissues	26,329	Oil:	
Essences (orange, bergamot, and lemon)	3,939,453	Olive	674,331
Fish	37,653	Sulphur	84,305
Fruit, fresh	76,228	Oranges in boxes	379,939
Lemons in boxes	1,111,119	Skins	58,631
Lemons, oranges, etc., in brine	154,027	Tartaric materials	843,260
Lemon and orange peel, dried and in brine	81,185	Wine	124,499
Lemon juice (concentrates)	86,726	Other articles	488,538
		Total	9,974,775

EXPORTS TO THE UNITED STATES.

The declared value of exports from Messina to the United States in 1907 was $3,884,811, an increase of $1,283,163 and $1,617,733 over 1906 and 1905, respectively. The principal articles were as follows:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Almonds	$40,894	$88,888	$27,467	Oranges	$1,601	$25,144	$6,698
Argols, crude	71,888	200,499	86,083	Pumice stone	48,023	101,091	189,489
Brimstone			552,135	Sardines	2,192	1,378	4,384
Cheese	10,293	26,682	25,412	Silk, raw	470,520	1,797	67,141
Citrate of lime	310,626	502,517	569,060	Sumac	5,297	4,311	3,892
Essences	364,832	505,121	1,036,323	Tartar, crude	102,418	116,097	204,756
Filberts	345,788	262,403	292,753	Tomato paste, etc.	3,854	2,564	8,848
Lemons, in boxes	255,234	438,829	457,941	Wine	3,526	9,670	36,639
Macaroni	26,187	66,655	105,467	Other articles	88,155	162,258	147,947
Olives, in brine	3,183	5,607	7,302				
Oil:				Total	2,267,078	2,601,648	3,884,811
Olive	109,058	70,364	50,370				
Sulphur	3,559	9,783	4,704				

EFFECTS OF EMIGRATION.

The effect upon industrial conditions here of the large emigration from Sicily to the United States during the past few years has been of great importance. The cost of labor has steadily increased, and, as a direct result, prices of almost all commodities have risen. At the same time the laborer or small artisan is in better condition, lives better in every way, and is able to afford himself and family more luxuries than was the case a few years ago. As contributing not a little, however, to the present ameliorated circumstances of the poorer classes there must be taken into account the steady flow of money sent here by emigrants who have found remunerative work in the United States and who are in a position to lend assistance to their friends and relatives at their old homes.

Owing to the facts that there is little machinery here and that nearly all production is by hand labor, the effect of a greatly diminished supply of labor has been particularly severe on employers. Though they have been able to demand higher prices for their products and manufactures, the prices have not increased in proportion to the increased cost of production.

HIGHER PRICES RESULT—SHIPPING.

During the latter part of 1907 very many emigrants, unable to find employment in the United States, returned to their homes in this district. Instead, however, of relieving the situation by their addition to the labor supply, the effect was quite different. These returning laborers had acquired higher standards, both as to wages to be demanded and manner of living, and were no longer content to go to work again at the same rates or subsist upon the same food as before their American experience. Far from entering into competition with those who had remained here, they set the example to their stay-at-home countrymen in placing a higher value upon their services and in requiring a different style of living. In consequence there is a greater demand for meats and other substantial foods, but at the same time there exists a lessened supply, owing to lack of producers; prices have therefore risen greatly during the past few years.

It is probable that the larger part of the returned emigrants will in time again leave their homes to seek employment in the United States.

The total number of emigrants leaving this district for the United States in 1907 was 37,099, a decrease of 1,049 from 1906, while the number returning from the United States was 14,575, against 9,504 in 1906.

The total number of vessels ariving at Messina during 1907 was 3,667, of 2,497,199 tons, against 3,710, of 2,578,887 tons, in 1906. Of the number entered in 1907, 2,494, of 2,444,242 tons, were steamers, and 1,173, of 52,957 tons, were sailing vessels. The total flying the Italian flag was 2,764, with a tonnage of 1,451,751 tons. Only five American yachts touched at the port during the year.

MILAN.

By CONSUL JAMES E. DUNNING.

The year 1907 was the banner period in the history of the Milan consular district, both in respect to general conditions within the district and to its trade with the United States. In commerce, industry, agriculture, transportation, and invention the year was noteworthy. Never before have the yields of the soil been so generally good and large, while declared exports, as consulated through the Milan office for shipment to America, exceeded $19,000,000, a figure never before attained.

The prospect for 1908 is doubtful, but only in so far as Italy is a selling market to the United States. As a buying market to take up American exports Italy promises well during 1908, certainly better than ever before. The nine provinces of the Milan consular district, viz, Milan, Como, Pavia, Sondrio, Brescia, Parma, Piacenza, Vicenza, and Cremona, will offer a better opportunity than ever to the ambitious manufacturer in the United States.

Of the nine divisions making up the c ular distri Mi naturally the dominating member. Includeu th integral part of its life are the suburbs of M

hat manufacturing centers in the world; Gallarate, the center of the cotton-manufacturing trade; Abbiategrasso, devoted in a large part to live-stock handling, and Lodi, the heart of extensive dairying and general agricultural interests. The total population of this Milan division of the district is not less than 1,550,000. The population of Milan, last officially counted at 743,709, is now estimated at about 900,000.

Como is one of the foremost silk-manufacturing cities in the world. Other divisions of the district are Parma, devoted to dairying; Piacenza, a thriving manufacturing city; Brescia, a noted quarrying section, and Cremona, the headquarters of a large trade in candies and candied fruits and mustard. The total population of the entire consular district is given at 4,810,000.

TRADE WITH THE UNITED STATES.

The total exports from Milan to American ports in 1907 was $19,255,197. The imports from America were evidently from $21,000,000 to $22,000,000 in value. The consulate records show that of the total exports in 1907 miscellaneous shipments were valued at $3,485,844, while raw-silk shipments amounted to $15,769,352. When it is considered that since 1903 miscellaneous shipments out of Milan to the United States have risen from $750,000 to about $3,500,000, the wonderful advance of the district is strikingly set forth. Indeed, this advance has been very much too rapid for the ordinary observer, and it is with the greatest difficulty that he realizes that this great commercial commonwealth of northern Italy has become one of the foremost market places of the world. The growth of shipments to the United States and possessions is shown in the following table:

Year.	Raw silk.	Miscellaneous articles.	Total.
1903	$10,644,006	$748,558	$11,392,564
1904	13,021,552	1,736,362	14,757,914
1905	14,111,298	2,002,938	16,114,236
1906	13,366,835	2,909,494	16,276,329
1907	15,769,352	3,485,844	19,255,196

CLASSIFICATION OF EXPORTS.

The principal articles of export from Milan to the United States and possessions during the past three years are shown in the following statement:

Articles.	1905.	1906.	1907.
Automobiles and equipments	$11,753	$93,341	$110,536
Bitters and liquors	204,194	316,726	372,514
Cheese	108,698	135,427	167,985
Combs	4,580	10,901	12,879
Cotton, waste	121,763	118,720	125,331
Embroidery	11,371	96,146	286,542
Extracts and medicines	92,546	51,167	142,785
Furniture	35,964	59,882	45,963
Gloves	288,290	404,745	360,386
Hats and caps	1,095	6,170	11,365
Hair, horse	462,679	220,220	160,686
Jewels for watches	40,149	43,719	60,665
Lace	5,291	22,736	9,768
Macaroni	8	901	6,244
Music books and instruments	998	3,343	7,895
Preserves	14,959	44,580	71,619

Articles.	1905.	1906.	1907.
Rice		$22,875	$30,146
Rubber tires		5,448	11,474
Silk, and manufactures of:			
Raw	$14,111,298	13,366,885	15,769,352
Shawls	38,675	26,141	38,894
Silk goods, pure	83,583	241,139	175,669
Silk and cotton goods	160,073	288,541	401,221
Waste	288,410	319,361	437,211
All other	85,351	329	26,809
All other articles	95,667	202,326	141,633
Total	16,267,395	16,101,729	18,985,592
American possessions:			
Philippine Islands	15,296	161,242	238,758
Porto Rico	3,746	5,245	2,815
All other		1,425	3,747
Returned American goods	2,688	8,113	24,090
Grand total	16,289,125	16,277,754	19,255,197

AGRICULTURAL CONDITIONS—RICE CULTURE.

The year was one of good crops. The mulberry leaf was full and abundant and in consequence the silkworm cultivators met with no difficulty. The wheat crop was up to the average, as was that of fruit. The rice crop was one of the largest ever harvested. Milan, with its neighboring district of Turin, is the principal rice raising section of Italy.

The rice crop for 1907 amounted to a total of 27,230,515 bushels, on a total acreage of 419,900. The area was smaller than usual, but the crop ran much heavier. This is the tendency of this crop in Italy, thanks to improved methods of cultivation and fertilization which have been taught by the Government to the farmers.

Government supervision of the rice industry is bound to be one of the most illuminating proofs of the keen interest in agriculture taken by the Crown. The law of June 16, 1907, even prescribes, or provides for the prescription of, the character and location of farm buildings on rice plantations; all the conditions surrounding the delivery and use of irrigation water; the relation of rice plantations to other neighboring crops and the distances to be preserved between them; the holidays and rest days of the hands, and all other subordinate or tributary questions of rice culture. Prominent among the latter questions are those concerned with the employment of children. Persons of less than 14 years are forbidden to enter rice fields, as are women under certain conditions only and particularly at the child-bearing period. The age of children must be proved, not as heretofore by verbal statement, but by the exhibition of the official birth certificate from the municipality where the person originated. This law takes the place of the old measure of 1866, since when there has been no legislation directly on the subject.

Rice continues to be a leading article of Italian export to South America, and particularly to Argentina, shipments to that quarter having amounted to 45,000 long tons in the first eight months of 1907. A little over $30,000 worth of Italian rice was shipped to United States ports from Milan in 1907, and is a part of the demand created in America by the large numbers of Italians who have settled in New York and other large cities.

INCREASED WINE PRODUCTION—OLIVE OIL.

The Milan wine crop, in common with that of the whole of Italy, was very heavy in 1907, surpassing all predictions and the fear that a long run of unfavorable weather at about the harvest season would bring the expectations of the vintners to ruin. The total press in the Milan district was 69,880,800 gallons, against 38,008,344 gallons in 1906.

The Milan district stands nearly at the foot of those in Italy in which olive oil is produced, the Adriatic and Mediterranean provinces being the seat of that branch of agriculture. Out of a total of 2,718,272 acres under cultivation in 1907 in the whole of Italy, the Milan district had but 7,262 acres so planted, and its total production was only 132,264 gallons, out of a total production for the year in the whole of Italy of 29,392,440 gallons. The Milan crop of oil was somewhat above the average.

CONSUMPTION OF COTTON-SEED OIL—CULTIVATION OF TOBACCO.

Large quantities of cotton-seed oil imported from the United States were sold in the district in 1907, either as a substitute for olive oil, as an adulterant therefor, or on its own merits as a rival with olive oil for cooking. Immense quantities are sold in every market in the district, which leads to the conviction that American cotton-seed oil might very well sell here under its own name as a fair and square competitor of olive oil. Its marked superiority to the lower grades of olive oil is an advantage equal to the lower price at which it can be profitably sold.

Pavia, Parma, Como, Cremona, and Milan, five of the nine provinces making up the Milan district, propose taking advantage in 1908 of the Government's offer of assistance in the cultivation of tobacco, and it is expected that there will be a lively effort to make the early crops a success. Thirty-one other provinces have signified their intention of entering the field, with a total of 106 demands from separate and individual farmers. The manufacture and sale of tobacco is a Government monopoly in Italy, and it is evidently the intention to create a certain amount of home production as a means of exercising more control of the foreign buying markets, where Italian experts are continually stationed.

LARGER TRANSPORTATION FACILITIES.

The vital question affecting American merchants dealing with the Milan district is that of transportation lines affording inlet and outlet for the trade of northern Italy, and this is in a measure connected with the railroad situation in Italy as a whole.

The main difficulties affecting the Milan district is the lack of track room, both in yards and on the main line, and the shortage of freight cars. It is naturally impossible to forecast the needs of each section of the country, because they are so diverse in character as to demand totally unlike consideration in meeting this problem. The lack of track room is being remedied as rapidly as possible.

Milan's requirements for larger transportation facilities, both inward and outward and in all the directions of the compass, have grown with that same rapidity which has marked the development of

the city as the great southern metropolis. The city itself, as the center of the district, is reached from the north by lines entering through the Mont Cenis, Simplon, and St. Gotthard tunnels; from the east by rail and canal from Venice, and from the south by a single tunnel through the Apennines, giving the district connection with Genoa, which is its seaport. Even the liberal tunneling on the north is now inadequate to the needs of the district, and several projects for additional lines in that direction are on the way to realization. Since its inauguration in 1885 the St. Gotthard has more than trebled the number of passengers carried over its spiral line from Lucerne to Italy or vice versa, while its freight traffic has more than doubled. The new Simplon route, through the remarkable tunnel of that name, is the latest straight-line connection between Milan and the French coast and England, and is rapidly growing in favor and in volume of traffic. The shortening of the time for this journey and the consequent demand for still better train service on both sides of the Alps have led to the beginning of another tunnel on the Swiss side of the Simplon, which will reduce the distance to Paris by about 80 miles and the running time to about ten hours. This tunnel, the Loetschberg, is now well under way, about 3,000 yards of excavation having been effected up to the end of 1907.

PROJECTED ELECTRIC RAILROAD.

During the year further plans were made for the projected electric railroad intended to give Milan another and closer connection with Genoa, with which it possesses a common interest. This line involves the construction of an additional tunnel through the Apennines, and will be very costly to complete. That it will be undertaken, however, is apparent in the light of the fact that Milan now takes from the port of Genoa yearly 500,000 cars of freight, and that the number is increasing at a rate which it is estimated by the Milan Chamber of Commerce will have reached 650,000 cars by 1913. The new line will have one of the longest tunnels in the world, 12 miles, and will operate 24 high-speed trains a day. According to the plans the time for trains between Milan and Genoa will be ninety minutes, with but one stop in the entire distance of 93 miles. This sustained high speed will be maintained in part by the structure of the line itself which will be altogether above or below grade, and which will have but one curve for the whole course after clearing the terminal stations. The one curve will be at the only way station on the line, Tortona, a junction point. Rapid electric traction has been so long under advanced development in Italy that this latest project is not looked upon as difficult excepting in its financial considerations.

American shippers into Italy might well keep in mind that the tremendous growth of Milan has exceeded the ability of the transportation companies to maintain the pace. This frequently accounts for delayed deliveries.

IMPROVEMENT OF INTERNAL WATERWAYS.

The plan for the general improvement and enlargement of the internal waterways of north Italy, of essential interest to the Milan district, continues to advance toward a practical outcome. The project, which must naturally have Government assistance, includes the dredg-

ing and canalization of the Po, and more particularly from a point immediately south of Milan to the Adriatic at Venice. As Milan now has an ancient canal connection with the Po at the former point, this latter link will be augmented in capacity to admit into the harbor basin of the city itself the 200-ton barges which can thus come directly up from the seaboard on the Adriatic.

The immensity of this plan has made it advisable to secure the cooperation of all the cities and towns along the line of the system, while the Government of Italy will lend its aid. This will give Milan direct connection with the sea, affording her in Venice a second seaport, and restoring that city to much of her old importance, which has for a long time been absorbed in the noteworthy advance of Genoa to the primary position in the trade of the whole Mediterranean basin.

Milan now receives by canals from 7,000,000 to 10,000,000 pounds of freight a year. This canal system, of mediæval origin, runs from the Italian lakes (on the Swiss border) to and through Milan, which has an extensive basin for the handling of this class of freight, and then on southward to the Po and thence to Venice. At present, however, the Po, which is a very uncertain river, constantly changing its lines, is not safeguarded in any way, nor is there any system for the storage of water in high seasons against its lack in droughts.

One of the most novel suggestions for relieving traffic congestion in the Milan district is that of a local engineer of prominence, who declares the practicability of running a canal line over the Alps. He has outlined his plan with great detail. The project contemplates a series of locks, alternating with tubular lifts, in which boats would be carried to the succeeding lock on an inclined plane. The inventor of the system believes it can be made use of at not too great a cost. It may be remembered that something of this nature was suggested at the international waterways congress held at Milan in 1906.

SHORTAGE OF WORKERS CREATES MARKET FOR LABOR-SAVING DEVICES.

Hand labor is gradually becoming scarce, and increasing difficulty is being experienced by its employers. This is due in the most part to the heavy demand for laborers in the large number of manufacturing establishments which have been created in the district within the last five years.

Strikes have been infrequent. The principal labor difficulty in the district during the year was that at Milan in September and October, which was not at all serious in its consequences, though exaggerated reports were sent out concerning it. In fact, its outcome tended to restore confidence in both the ability and intentions of the labor organizations and the attitude toward them and the workers on the part of the employing corporations and individuals.

The cost of labor tends to increase steadily on account of the higher cost of living. Labor difficulties in the Milan district will be concerned for several years solely with this question and the allied question of shorter hours and restriction of child labor.

The shortage of hand labor, which is becoming reasonably acute in the district, should lead to an excellent opening for American makers of agricultural machinery. The movement from the farms toward the manufacturing centers is characteristic of the latter-day development of the country, and is fast making necessary a resort to more improved methods. This particular field will not be easy to enter

on account of the fact that European competition has already occupied it to some extent. On the other hand, there is plenty of room for American superiority to get a hold if proper means are used. Direct representation by trained men, able to speak the local language, is the only way for taking advantage of this unusual opening. Naturally, also, those exporters who prepare the way earliest, even before the arrival of a strong demand for machines, will be in the best positions for the future which can not in the premises be far distant.

MARKET FOR ALL KINDS OF AMERICAN MECHANISMS.

There is plenty of opportunity as well for all kinds of American machinery, which, however, must be worked against the keenest competition and by the use of personal representation of trained men. Catalogues in French and Spanish, generally considered acceptable in Italy, are of next to no practical value in a field where the principal competitors of American exporters are having their printed matter done into Italian and in the style most convenient to the Italian trade.

American plumbing materials, bathroom fittings, firearms, lumber, boots and shoes, rubbers and rubber goods, novelties, watches, razors, office fittings, office furniture, gas stoves, petroleum heaters, canned goods, preserved meats, and an innumerable list of special patented articles could find a larger market here. Even if Milan were not one of the heavy buyers of American raw material, in a quantity such as would be noteworthy in any quarter of the earth, the district would afford an unusual opportunity for almost any American article intended for introduction into a field densely populated and well able to buy.

PALERMO.

By Consul William H. Bishop.

The imports into Palermo are chiefly tobacco, petroleum, coal, iron, wood, and grain. Russia, Austria-Hungary, the United Kingdom, Germany, Roumania, Brazil, and the East Indies furnish this market with much more than they take from it. The leading nations furnishing the imports are, in the order named, the United Kingdom, United States, Austria-Hungary, Russia, Germany, and France.

The imports from the United States for 1906 are stated at $800,000, which is an increase of $123,000 over 1905. The principal articles were tobacco, groceries, and spices, worth $298,600; wood and straw, $205,300; animals and animal products, $111,700; oils, spirits, and beverages, $86,500; cotton, 26,700; drugs, resin, etc., $17,897; colors, dye, and tanning materials, $326; hemp, linen, and jute stuffs, $206; wool hair, etc., $1,178; silk, $518; paper and books, $611; hides, skins, and furs, $12,527; minerals, metals, and articles thereof, $6,522; stones, pottery, etc., $51; and miscellaneous articles, $3,254. Except raw materials, few American goods are brought in here direct. Some others are seen, as shoes, hardware, and fancy novelties, but these owe their success to the visit of energetic traveling agents from large general agencies in England, Germany, and northern Italy, whence they are introduced.

Owing to its insular position, Sicily is in the habit of keeping a separate record of its dealings with the mainland of Italy. It brings largely from there both manufactured articles and food supplies, for its own manufacturing industries are but little developed, and there is a notable deficiency of pasturage for cattle. This Province imported from the mainland in 1906 to the amount of $1,630,000, a considerable increase over the preceding year. More than one-half of the whole was meat. It sent thither in the same time a little more than half as much.

Although exportations are gradually increasing and there is no doubt a prosperous future, this section is backward in its development as compared with the whole country. During the five years from 1902 the commerce of Italy per inhabitant increased 30 per cent and that of Sicily but 8 per cent. The development of the natural fertility of the island requires adequate railway and road communication, as well as private initiative in business and commercial forethought.

WHAT THE DISTRICT EXPORTS TO THE UNITED STATES.

The total value of the exports from the consular district was, for 1905, $5,898,515; 1906, $6,057,910, and 1907, $6,357,676. The large gain of $1,264,049 for 1907 in the exports declared from Palermo proper is accounted for by the abolition of the agencies, their former business now falling to this office. There was, however, an actual increase of $300,000 in the exports of the consulate and agencies combined, for 1907, as compared with 1906. The number of invoices certified here was 6,002, showing a doubling of the business of the office since 1905, when the number was 3,000. Furthermore, the above does not include the former agencies' business except for two-thirds of 1907, they having continued operating for one-third of the year and issued 230 invoices in that time.

There was a gain in the exports of lemons, which continue to be the great staple of the island. There were also increased shipments of oranges to the amount of $34,285, which is a novelty, as oranges had long ago almost ceased to go to the United States. There was large gain in the items of cheese, macaroni, olive oil, tomato paste, artichokes, wine, and other foodstuffs called for by the Italians resident in America. A large diminution in these is probable for the current year. A leading dealer asserts that since the late panic the stock he had laid in remains without movement; he says the Italians abroad do not call even for their almost indispensable garlic. Increase is seen also in almonds, citrate of lime, salt, and snuff.

On the other hand, some decline is noted in skins and sulphur oil (soap stock). The export of olive oil for machinery purposes made the significant drop of from $42,021 in 1906 to $9,018 in 1907, due perhaps to a stricter ruling at American custom-houses. An important bill has been introduced into Parliament by the Italian ministry against frauds in olive oil, and a strong interest is visible to protect the good name of the country.

The most notable item of decline is of brimstone (sulphur), which disappears from the list entirely. This is due to American competition.

THE UNITED STATES THE GREATEST PURCHASER.

The United States take one-half of all the exports; the United Kingdom, France, Austria-Hungary, Germany, and Belgium follow in the order named. Such exports are chiefly vegetable products, lemons, oil, wine, tanning material, and chemicals. North America (principally the United States) takes nearly eight times as much of the olive oil as any other country, and is second in its consumption of sumac, the first place being held by the United Kingdom. The production of sumac is a natural monopoly of this Province, and its export from Sicily constitutes 98 per cent of that of all Italy. In like manner Sicily produces nearly the entire crop of lemons and oranges credited to Italy. Palermo, yielding more than one-third of the whole, had its banner year in 1906. The United States took more than two-thirds of this product. It is thought that even a portion of that credited to the United Kingdom went to the United States, following the northern routes.

Wine, once a notable feature of export, has fallen away to insignificant proportions. The decline is ascribed to the greater success of other sections of the country in placing their surplus product and to the largely diminished yield. The present year, however, is one of very abundant wine production, and the fear is that too liberal offerings on the market may break prices to a most unprofitable figure. It is desired to have the Government make a special reduction of its internal-revenue tax, so that a large quantity of this may be converted into spirits.

CLASSIFIED EXPORTS.

During the years 1905, 1906, and 1907 the articles declared at Palermo for export to the United States were as follows:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Almonds	$24,438	$34,936	$90,776	Oil, sulphur	$71,012	$110,963	$90,678
Beans	5,654	8,723	18,577	Olives	5,759	18,986	17,462
Brimstone	64,895	46,709	.....	Oranges	.....	15,957	50,242
Cheese	59,588	94,616	128,340	Preserves:			
Citrate of lime	70,177	74,004	207,393	Tomato sauce	126,373	199,626	246,203
Cork, raw	59,558	54,504	62,196	Artichokes	30,984	54,693	79,359
Fish	15,501	21,298	39,225	Other	16,837	22,086	42,358
Garlic	3,804	6,876	11,187	Skins	16,496	33,405	24,000
Hair, human	49,545	60,386	140,165	Sumac	278,721	307,392	268,932
Lemons	2,132,760	3,394,372	4,128,053	Wine	32,875	48,828	89,262
Macaroni	97,186	138,179	173,406	All other articles	188,842	56,698	128,848
Manna	4,982	12,141	13,586				
Oil, olive	100,330	148,976	168,155	Total	3,326,552	4,954,354	6,218,408

TURIN.

By CONSUL ALBERT H. MICHELSON.

The Province of Piedmont is 11,400 square miles in area and has a population of 3,407,284. In the variety of its manufacturing interests it, with the neighboring Province of Lombardy, is the greatest industrial region of Italy. Its chief distributing center is the city of Turin, the fourth largest in Italy, with a population of nearly 400,000.

The Province produced in 1907 the greatest yield of wine in its history and a cocoon crop nearly 50 per cent greater than that of 1906,

the cocoon crop of the rest of Italy being at the same time unusually small. During the year the automobile industry of the district all but collapsed, while textile industries suffered, paradoxically, from a lack of skilled labor and tight credit, and tanneries were affected by the universal fall in the price of raw hides.

The crisis in the automobile industry, of which Turin is perhaps the most important European center, made itself felt during the early part of the year and wiped out millions of dollars of speculative capital and threw thousands of operatives upon the labor market. The crisis caused a local tightening of credit during the summer which produced considerable uneasiness, and when in the fall the money stringency in the United States began to make itself felt the Province found itself in a peculiarly vulnerable position. The result has been that Piedmont, more than any other Province of Italy, suffered from tightened credit. The silk industry, the automobile industry, and industrial expansion of all sorts, and more especially the development of new hydraulic power, have been most affected.

On the other hand, the many and important textile industries of the Province, silk excepted, suffered comparatively little. Except for the automobile industry, the economic and social prosperity of the Province during the first six months of 1907 touched the highest level in history. It should be noted, however, that this prosperity has behind it a long series of remarkably rich years, and that in vitality and commercial soundness Piedmont is unmatched in Italy. The Province, therefore, had solid assets to fall back upon, and while the outlook is unfavorable there is no likelihood of prolonged or serious depression.

DEVELOPMENT OF HYDRAULIC POWER.

According to statistics recently issued by the Italian Government, 41 concessions for the development of hydraulic power in Piedmont were granted during 1906. Fifteen of these were extensions of previous concessions, the other 26 being quite new and having each its own generating station. The horsepower of the most important concession granted was 9,651. From statistics furnished by the prefects of the four counties composing the Province of Piedmont, the concessions granted during 1907 numbered 69, without distinction between new and extended concessions. Fifty-two of these were granted by the county of Turin and were for the development of 104,975 horsepower. The county of Novara granted but 3 concessions, but these were for the total of 38,500 horsepower.

The chief hydro-electric power plant at present under construction in Piedmont belongs to the city of Turin and will be operated by the municipality. There will be two power stations, both in the valley of Susa—one at Chiomonte, 38 miles from Turin, and the other at Susa, 35 miles from Turin. The conduit bringing water to these stations will have a total length of over 5 miles. It will pass through an almost uninterrupted series of tunnels of a total length of 4.9 miles. There are at present 500 or more men at work on these tunnels; the number of borings being 47. In July, 1907, the length of the borings already completed was 2.02 miles.

The power to be developed in these two stations is 15,000 horsepower, and is to be supplemented by another 15,000 horsepower,

generated in the steam power station now under construction on the outskirts of Turin. This station will contain transformers and turbine-alternators of the Brown-Boveri-Parsons type. The current delivered to the city will be of the alternating type at 3,000 volts and 50 periods. It is expected that the entire work will be completed and the whole system in operation within two years.

The total estimated available hydraulic power of Piedmont was, in 1905, 616,435 horsepower, an amount twice greater than that available in any other Italian province. But this figure has now been greatly reduced. The attention of Americans, who are in a position to profit by the rapid development of hydraulic power in Italy, and more especially in Piedmont, is therefore again drawn to the wisdom of taking action thereon while the process of development is at its height. In 1905 Italy already stood next to the United States and Canada in the development of hydraulic power. To-day the power of this type developed in Italy is surpassed only by the United States. The country has but one important firm manufacturing dynamos and motors of large size, those imported in 1905 being valued at $1,737,000.

THE AUTOMOBILE INDUSTRY.

The number of companies in Turin incorporated with the object of manufacturing automobiles and their accessories is 37. Twenty-three of these were formed for the manufacture of automobiles, 8 for the manufacture of automobile accessories, and 6 for automobile coach building. The total number of companies is the same as a year ago, one company having failed and another having been formed.

At the end of 1906 one-third of all the companies manufacturing automobiles and their accessories in Italy were situated in Turin. The city manufactures about twice as many automobiles as are produced in all the other cities of Italy put together, and one Turin company claims an output equal to the total output of the other 110 companies of the country. By the end of 1906 Turin had become one of the greatest automobile centers of the world.

The total nominal capital of 18 of the 23 automobile-building companies of Turin (data concerning the other 5 are lacking) is $5,617,265, and the paid-up capital $1,913,860. The price of the shares of only 8 of these 18 companies was quoted on the local stock exchange during 1906 and 1907. At the close of 1906 the total market value of such shares stood at $14,491,140. On December 31, 1907, it stood at $2,643,140. These 8 companies suffered between them, therefore, losses amounting to $11,848,000. The other 10 companies suffered in proportion, although their combined losses in money were far less. The shares of one of the most important concerns were quoted at $84.92 on December 31, 1906, and at $9.65 on December 31, 1907, the difference involving a loss of $6,774,300.

When, during the last months of 1907, the money stringency in the United States began to make itself felt in Turin, the situation was already so serious that further tightening of credit was a matter of relatively slight moment. However, there can be no doubt that the American depression, if it has had no important and immediate effect, will greatly retard the reestablishment of the industry upon a sound footing. Whether it can ever be so reestablished except at the cost of liquidation or outright failure on the part of many companies

is problematical. There is hardly a company of Turin that is not in more or less serious difficulties. The position of all the larger companies is grave, and it seems as if some among them must go to the wall.

INCREASED PRODUCTION OF COCOONS—SILK INDUSTRY.

The Italian cocoon crop of 1907 amounted to 29,691,144 pounds, against 27,306,638 pounds in 1906 and 27,074,483 pounds in 1905. The Province of Piedmont produced in 1907 16,053,686 pounds, as against 11,001,647 pounds in 1906 and 13,088,108 pounds in 1905. Piedmont in 1907 thus produced about one-half of the total crop, and more than three times as many cocoons as the Province of Emilia, next in rank in point of productivity. Except for the increased yield of this Province, Italy's crop of 1907 would have been considerably below that of 1906. The total value of the cocoons produced in 1907 in Piedmont was about one and one-fourth times greater than the total value of those produced in 1906, while the quantity of cocoons produced by the Province in 1907 was one and six-tenths times greater than that of the crop of 1906. The net profit to the Province on the yield of 1907 was somewhat less than that realized in 1906.

The condition of the local raw-silk market during 1907 was, for the most part, the same as that of other markets of the world. The year opened favorably with low stocks and high prices. In March stocks in Piedmont had become so depleted that spinners bought cocoons of the new crop at prices 40 per cent higher than the prices of the corresponding period in 1906. In May the fears of a large cocoon crop, both in Italy and throughout the world, had brought the price of cocoons to within 20 per cent of the price in June, 1906. By July the price of raw silk, after six months of high values, had fallen to the price of December, 1906. During the three or four following months the Piedmontese market suffered somewhat through the local tightening of credit, and by December the American money stringency, the heavy cocoon crop throughout the rest of the world, and the low rates of exchange with the East had affected the industry and the trade most adversely.

AMERICAN PURCHASES—LIMITING PRODUCTION.

The exportations of raw silk from Piedmont to the United States during 1907 amounted to $529,918, against $278,784 in 1906 and $406,951 in 1905. In point of quantity the amount of raw silk exported to the United States during 1907 was not so large as the foregoing figures might seem to indicate, but the silk was bought chiefly during the first six months of the year, when prices were notably high, about $5.20 per pound, as against $4.15 per pound in 1906. The American financial conditions had no influence upon exportation during 1907, for, although practically no business was done during the last three months of the year, orders received prior to that time more than assured steady shipments beyond December 31.

Piedmontese spinning and weaving mills were in an excellent condition throughout 1907. Spinners were especially successful and in July had orders in hand sufficient to keep their mills working at full capacity for six months. By the end of the year, however, the situation had become somewhat critical on account of lack of orders, due to the general financial depression, and the outlook is distinctly un-

favorable. It is probable that to meet this lack of orders both the spinners and the weavers of Piedmont will unite with the object of limiting production.

DEVELOPMENT OF COTTON INDUSTRY—COTTON MILLS.

The spinning and weaving of cotton, first among the textile industries of Italy and constituting the country's greatest single manufacturing asset, has its center in the Province of Lombardy, with the Province of Piedmont second in importance in point of productivity and first in point of quality.

In tracing the development of this industry during the year 1906 the law of June 19, 1902, was held accountable for an extraordinary activity in the building of new mills and in the search for new capital. This law was framed and passed to prohibit, after June 30, 1907, night labor to women and to children under 15 years of age. The vigorous efforts on the part of manufacturers during 1906 to delay the enforcement of the law were continued during the first six months of 1907, but without effect.

The activity in the building of new mills in Piedmont slackened notably during the latter part of 1907, because this activity had, by July 1, 1907, very largely offset the effects of the law of June 19, 1902, and because the crisis in the local automobile industry, and later the depression in the United States, had tightened credit throughout the Province.

In general the development of the industry in Italy and Piedmont was very satisfactory during 1907, with market conditions highly favorable. Since nearly all Italian cotton mills are operated by limited liability companies, and since such companies must publish their balance sheets once every year, it is possible to judge of the prosperity of the industry from the dividends declared.

The industry suffered somewhat, however, during 1907 on account of the high price of raw materials and also, in a measure, on account of the scarcity of skilled labor. In Piedmont this was felt especially in the counties of Turin and Novara. It was chiefly due to the fact that the material development of the industry in these counties has progressed of recent years far more rapidly than has the development of labor.

INCREASED WINE YIELD—VERMUTH SALES.

The wine produced in Piedmont from the vintage of 1907 amounted to 206,472,300 gallons, as against 98,176,720 gallons in 1906. The Province thus more than doubled in 1907 the amount of wine it produced in 1906. The middle Adriatic Province, with a yield of 325,758,600 gallons, surpassed Piedmont's production, while Alessandria, the richest of Piedmont's four counties, with a yield of 118,890,000 gallons and a yield per square mile of 61,915 gallons, surpassed every other of the 69 counties of Italy.

In Piedmont, as elsewhere in Italy, the prices which ordinary table wines brought at the close of 1906 were nearly cut in half and stood at from 15 to 18 cents per gallon. The average price of Piedmontese wines of all grades, 1907 vintage, was at the close of the year cents per gallon, as against 33 cents per gallon in December, 19 and for high-grade wine nearly 40 cents per gallon in the early of 1907.

The value of the vermuth exported to the United States from Turin during 1907 was $381,701, against $358,355 in 1906 and $390,538 in 1905. The lesser exportations of 1906 were due to a change of policy on the part of an important firm which in that year largely abstained from shipping on consignment.

The manufacture of vermuth, the most ancient and continuously prosperous industry of Turin, has been of recent years menaced by two serious dangers—the imitation in other cities and countries of an article the name of which is inseparable with that of Turin, and the possibility of legislation in foreign countries, or even in Italy, which would declare vermuth a liquor and not a wine.

This vexed question of whether vermuth be a wine or not checked, although slightly, exportation to the United States, and this it must continue to do while there is any uncertainty among shippers regarding the final stand of the United States in the matter. The matter is important only to manufacturers who have been accustomed to place and who still wish to place the words "vermuth wine" on the labels of their bottles.

Exportation to Brazil suffered sharply during 1907 on account of the rigid enforcement of the Brazilian law of December 30, 1905, forbidding the importation of absinth in any form or quantity. Vermuth contains a modicum of absinth, and manufacturers who refused to change their formula and manufacture vermuth without absinth were unable to ship to Brazil.

TRADE IN DETAIL WITH UNITED STATES—MUNICIPAL OWNERSHIP.

Among the imports into Turin from the United States during 1907 were furniture, amounting to 712 pounds out of a total of 33,869 pounds, France leading with 32,817 pounds; instruments, 8,050 pounds out of a total of 40,495 pounds, the United Kingdom furnishing 19,840 pounds; leather belting, 2,350 pounds, the total being 39,199 pounds, Germany supplying 15,602 pounds; machinery, 64 tons out of a total of 446 tons, Germany leading with 230 tons; machine parts, 3,600 pounds, the total amounting to 183,606 pounds, Germany supplying 102,780 pounds; and shoes, 345 pairs, the total being 1,404 pairs, France leading with 360 pairs, or 15 pairs more than supplied by the United States.

The value of the exports declared at Turin to the United States during 1907 was $1,674,362, an increase of $145,794 and $276,020, respectively, over the preceding two years. The leading items were:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Asbestos	$529	$3,387	$2,175	Hats, felt	$3,305	$3,667	$5,873
Automobiles and accessories	238,769	385,326	196,312	Jewels, watch	19,509	25,764	23,059
Canned goods	13,431	12,943	13,226	Machinery	683	.....	9,192
Cheese	9,158	13,043	13,206	Mackerel in oil	.....	5,870	3,091
Chestnuts	28,977	51,678	84,578	Plumbago	3,689	7,090	9,286
Chocolate	1,403	1,673	4,539	Seeds, clover	.....	83,309	80,735
Cotton manufactures	2,606	18,691	15,566	Silk, raw	406,951	278,784	529,918
Fur, waste	3,174	2,164	4,377	Talc	29,195	26,774	53,122
Furniture	3,229	4,649	8,727	Tartar, crude	75,894	37,015	15,073
Glue stock	44,135	85,585	103,090	Vermuth	390,538	358,355	381,701
Glycerin, raw	38,104	39,923	16,424	Wine	22,267	39,622	69,314
Hair, human	21,421	25,867	19,690	All other articles	41,335	17,409	12,088
				Total	1,398,342	1,528,568	1,674,362

Turin took its first important step in municipal ownership on January 1, 1907, when the power plants, tranmission lines, and rolling stock of the Upper Italy Tramway Company, of Turin, became the property of the city. The sum involved was $4,200,000. The balance sheet for 1907 of this municipal public-service corporation has not yet been published. The estimates for 1908 have, however, been printed. These show an estimated profit to the city of $11,638.

VENICE.

By Consul James Verner Long.

Notwithstanding the monetary crisis of 1907, the prevailing high prices of cereals, and the abundance of many agrarian products, the commercial conditions of the Province and port of Venice, instead of experiencing any appreciable diminishment or remaining stationary, as was anticipated, have been augmented about 1.04 per cent over the preceding year.

The total movement for the calendar year 1907, according to statistics from the Government custom-house, was 35,000 tons more than in 1906. In 1906 the importation of coal on the part of the State railway administration was quite marked, even exceptional, the stock on hand in the central deposits being low. In 1907 the railway company imported into Venice about 100,000 tons less than in 1906. In spite of this, however, the total movement of coal in the port amounted to, approximately, 4,000 tons more than during 1906, showing that the smaller importation by the railways was more than covered by that of various companies and individuals. The importation of coal into Venice has steadily increased from 52,025 tons in 1875 to 1,114,367 tons in 1907.

An importation which is noteworthy, but extremely variable and dependent upon the home product and also upon speculation and the uncertainties of the market or trade conditions, is that of cereals, which in 1907 amounted to 207,851 tons, being somewhat less than the preceding year. The importation of chemical manure and other fertilizing materials indicated a marked advance; in the past year 29,925 tons were imported in excess of 1906, the quantity being three times that of similar importations ten years ago.

Cotton shows also a steady and substantial increase, the quantity imported in 1907 being 9,768 tons in excess of that received during 1906, and the prospects are that a still greater increase will be shown in the future, as large factories are being established at Sacca Fisola, and this port will be called upon to supply the necessary material.

There was an advance in importation of steel and iron which amounted to some 14,000 tons.

Dried and fresh fruit have also been on the increase, and importations during the year show an advance of some 12,000 tons, and stone for construction and building purposes to the extent of 50,000 tons, much of the latter being utilized in the erection of new docks for the more satisfactory handling of petroleum.

The most conspicuous decrease in importations after cereals is shown in wine, which was due partly to the curtailment in the de-

mand from the supply in southern Italy, and also to the abundant production in the northern provinces.

TRADE WITH THE UNITED STATES.

Importations from the United States during 1907 increased in value to the extent of $1,748,218. Cotton shows the largest article of importation, and increased by nearly $1,500,000. Petroleum shipments show a decrease in value of $600,000; this was possibly due to the large and continued importations from Roumania. Tobacco shipments decreased in value from nearly $400,000 during 1906 to $126,000 in 1907. Cotton-seed oil began to advance in importation after a marked falling off during the last year, and large gains were made in shipments of copper, iron, lumber, and stearin.

The value of the imports into Venice from the United States in 1907 was $6,847,665, against $5,099,447 in 1906. The articles of import in 1907 were as follows:

Articles.	Value.	Articles.	Value.
Almonds	$6,562	Provisions:	
Chemicals	1,158	Butter and lard	$4,377
Coffee	9,276	Fats	8,480
Copper	276,839	Meat	14,915
Corn	232,002	Tallow	17,914
Cotton	3,434,908	Rosin	127,863
Lead	100,401	Stearin	822,817
Lumber	214,714	Sulphate of copper	81,857
Oil:		Tobacco	126,127
Cotton-seed	291,098	White lead	22,928
Petroleum	711,545	Wool	13,630
Other	66,222	All other articles	16,978
Phosphates	231,233		
Pig iron	13,821	Total	6,847,665

The exportation during the year 1907 to the United States was about one-sixth less than during the year 1905 and a few thousand dollars in value more than in 1905. The decrease, as compared with the year 1906, is accounted for by a diminished exportation of hemp, which forms a conspicuous and important article of commerce shipped yearly from this consular district, and which showed less than one-half of the exceptionally large shipments of that commodity in 1906. Appreciable increases over the former two years are noticeable in hides, glassware, straw goods, lace, and paintings.

The value of the exports from Venice to the United States during 1907 was $507,506, against $610,235 in 1906. The leading items in 1907 were:

Articles.	Value.	Articles.	Value.
Antiquities	$2,848	Household effects	$2,412
Books	1,365	Lace, embroideries, etc	39,774
Brass, bronze, and copper	2,538	Macaroni	3,772
Ceramics	3,856	Marble and stone	15,565
Costumes, theatrical	3,863	Mud, thermal	1,778
Cotton goods and yarn	15,325	Oil	1,985
Furniture, etc	19,532	Orris root	1,173
Glass beads	20,918	Paintings, etc	44,868
Glass mosaics	5,905	Seeds	5,713
Glassware	20,448	Shells and shell work	11,479
Glue	416	All other articles	9,448
Glycerin	64,199		
Hemp	194,435	Total	507,506
Hides	13,901		

GREECE.

INTRODUCTION.

The reciprocal commercial relations of the United States and Greece are very rapidly extending, due, no doubt, to the excellent facilities for shipment between the Levant and American ports. The declared exports to this country from Athens and the Piraeus are shown to have advanced from $351,806 in 1905 to $1,050,589 in 1907, while those from Patras advanced from $1,052,865 to $3,154,887. This remarkable growth in shipments of Greek goods to this country would seem to have been even surpassed in the ratio of exports of American goods to Greece. The shipments from ports of the United States of merchandise to Greek ports were valued in 1905 at $247,169, in 1906 at $807,293, and in 1907 at $1,393,117. Because of the increasing emigration and immigration between the two countries it is clearly evident that there is room for further large expansion in the sales of American goods in that part of the world.

REVIEW OF TRADE CONDITIONS OF GREECE.

By CONSUL-GENERAL GEORGE HORTON, ATHENS.

The establishing of direct steamship service between Greece and America is due to the emigrant movement, both to and from the United States, without which such service would be far from profitable. It will be interesting to see to what extent American shippers have taken advantage of the facilities for communication with Greece now afforded them. During the year 1907 the Austro-Americana Steamship Line increased its service in the Levant and between the United States and Greece, adding to its trans-Atlantic fleet three twin-screw steamers, one of which claims to make the distance between Patras and New York in twelve days. During the year this line made 43 sailings direct to the United States from Patras, of which 29 were emigrant boats to New York, 6 emigrant boats direct to New Orleans, and 8 cargo boats to New York, Philadelphia, and Boston. There were 30,000 tons of cargo carried to the United States, and 4,000 tons brought back. Of the west bound cargo the greater bulk was currants and of the east bound grain.

This company states that it possesses a fleet of ships known as "feeders" plying in the Mediterranean to all principal ports, so that an American merchant can ship his goods on a through bill of lading direct from New York to any port of the Levant.

The Moraites Steamship Line announces two new vessels as nearly ready for business. This is a Greek company. During the year 1907

its one ship, the *Moraites*, made three voyages and brought to Greece from the United States the following articles of freight:

Articles.	Pounds.	Articles.	Pounds.
Coffee	6,000	Seed, hemp	2,000
Corn	67,200	Stoves	1,345
Drugs	356	Tin sheets	25,340
Firearms	361	Tools	650
Gas engines	1,022	Tubs, bath, etc	3,521
Oil, mineral	62,573	Watches	264
Oleo	6,256	Wheat, tons	2,500
Pipe	23,075		

Boats of the Prince Line made nine voyages between Greece and the United States in 1907 and brought back the following articles of American manufacture, the quantities being in pounds: Dry paint, 39,698; clocks, 180; wheat, 958,980; lead, 112,048; cotton, 13,157; diving apparatus, 637; lubricating oil, 22,475; leather, 75; soap, 798; machinery, 4,310; and oleo oil, 72,240. In addition there was brought over in special steamers 21,354 tons of wheat, which was discharged at Patras and Piraeus, besides $107,522 worth of petroleum.

No statistics are available of the American products actually consumed in Greece, for the reason that many articles of American manufacture are supplied by European houses and are credited in Greek tables of statistics to the country from which they are imported. There is no doubt that now with direct communication Americans could have their share of this market if they desired it.

During the past year several representatives of American firms visited Athens and have, in every instance, so far as I know, succeeded in placing orders.

TRANSPORTATION IMPROVEMENTS.

An incident of interest to automobile manufacturers has taken place in Greece during the past year. The citizens of Sparta are without railway communication with the rest of the world. The nearest point is the city of Tripolis, a distance of about 30 miles. Supplies are brought to Sparta, a town of about 5,000 inhabitants, by wagon from Tripolis, or from the port of Calamata by mule caravan over the mountain pass of Langhada. Recently some enterprising persons imported several freight and passenger automobiles from Antwerp, to ply between Sparta and Tripolis. About the same time several freight automobiles were brought to Athens and put into use in carting the supplies for the new electric tramway.

The people of Sparta claimed that the establishment of the automobile route would diminish their chances of having what they really desire, a railroad. The Government accordingly detailed an engineer to study the route and to submit an estimate. This engineer has reported that a road can be built connecting Tripolis and Sparta, passing through the most thickly populated demes of Lacedemonia to the northeast of Sparta, as well as the populous demes of Kynouria and Tegea of Mantinea, a distance of 49 miles, for 8,000,000 drachmas (drachma = 19.3 cents). Other estimates calculate the cost of the work at as high as 14,000,000 drachmas.

Work on the electric tramways of Athens and Piraeus progressed steadily during the year 1907. Fifteen coaches were ordered from

Milan, Italy, and 90 more are on the way. The company hopes to have ready for business the Patissia line and several others by the close of 1908. The company that is now operating this tram project is known as the "Société Hellénique de Tramways d'Athènes, Pirée et Environs," and was formed last February as a successor to the Société des Tramways, etc., that had its headquarters in Brussels. The new company has its headquarters at Athens and is capitalized at 20,000,000 drachmas, divided in 200,000 shares, at 100 drachmas per share.

PROPOSED SYSTEM OF IRRIGATION.

During the past year surveys have been made in Thessaly with reference to using the waters of the Peneios River for irrigation purposes. This project was taken in hand as long as twenty years ago by the Government, but the surveys and estimates made at that time were found to be faulty, and it was abandoned. In 1900 a law was passed by the Government authorizing the expenditure of money for new surveys and appointing a committee. Under direction of an expert from Switzerland, a topographical map has been made of about 2,000,000 stremmas (stremma = 1,196 square yards), and 18 meteorological and hydrometric stations were established. An Italian engineer has also been summoned, to study the engineering features of the case and to make estimates. It is hoped that this beneficial and important work may be inaugurated.

The pressing and insistent question of an adequate water supply for Athens and Piraeus has occupied the attention of legislators and capitalists during the last year to no small extent, and as the National Bank is showing a substantial interest in the matter it is likely that something will soon be done. An engineer of Vienna made a thorough study of the water of Stymphalia, about 62 miles distant from Athens. From this source about 1,000 okes of water (oke = 0.3513 gallon) per second can be supplied to the cities of Athens, Piraeus, and their suburbs. The engineer has not yet submitted his plans, but it is understood that the work will cost from $5,000,000 to $6,000,000.

A vast amount of supplies of all kinds connected with such work, tubing, pumps, machinery, electrical supplies, etc., will be ordered of somebody as soon as the contract is awarded, and the European firms no doubt have their agents watching the affair.

CENSUS OF THE COUNTRY—BUILDING OF DRY DOCKS.

The census of Greece of 1907 shows a total population of 2,631,952, or 1,325,942 males and 1,306,010 females. The steady increase in the population of the country, shown by each census since that of 1834, is thus contained. In 1834 the population was 651,233. According to the census of 1896 it was 2,433,806. There has been a gain therefore during the last eleven years of about 200,000. As there has been considerable emigration from the country and very little immigration into it, this increase would seem to indicate that the Greeks are a prolific race and are gaining ground numerically. The population of Athens has risen to 167,479, and that of Piraeus to 74,079; or as the one city is the port of the other, a total of 241,558. During the past year 277 building permits were issued in Athens, and 122 in the city of Piraeus.

Among important laws passed by the Chamber of Deputies during 1907 was one sanctioning a loan for the completion of two dry docks at Piraeus. Work on these docks was commenced in 1889, and was discontinued in 1902, on account of lack of funds. It was recommenced in 1906, but was stopped again for the same reason. Their entire cost when completed will be about $1,000,000.

During the past year several flour mills have discontinued the use of old-fashioned millstones and have put in up-to-date machinery supplied by English firms. There remain yet six or eight important mills which will doubtless follow the example of their competitors in a short time. It is claimed the installation of cylinders will enable the mills to use soft wheats instead of the hard Russian which has been preferred by them heretofore.

CURRANT CROP—PRODUCTION OF WINES.

According to a report from the "Société Hellénique de Vins et Spiriteux," the currant crop for 1907 was about 2,100,000 hectoliters (hectoliter = 2.838 bushels) of excellent quality. This company buys green currants on a large scale, making them into wine for exportation. According to its convention with the Government it is not allowed to sell this wine for domestic use, as the smaller manufacturers and dealers would not be able to compete with so large a concern, enjoying special privileges, and their business would be ruined.

Greek wines are of four principal kinds, as follows: (1) Resinated wines, principally white, into which a quantity of pine resin has been thrown during fermentation. These wines have a bitter taste and are not exported. (2) Red wines for mixing, rich in extract and tannin. They are exported pure or are kept in Greece for mixing with other wines. (3) Dry wines, red and white, which are mostly exported, such as those of Chalkis, Eleusis, Santorine, Patras, etc. (4) Dessert wines, from Paros, Eleusis, Cephalonia, etc.

There are several firms in Greece engaged in the manufacture and exportation of Greek wines. It is the specialty of the Société Hellénique to make wine from currants and other commodities, such as denatured alcohol, sirups, raisin sugar for chalva, horse food, a certain raisin paste sold to Italian distilleries, and various liqueurs. During the past year this society has bought for use in its six distilleries, located in different parts of the Kingdom, 6,480,000 liters of must (liter = 1.0567 quarts) and 6,855,665 kilos (kilo = 2.2046 pounds) of fresh raisins.

FARMING STATISTICS.

The Lake Copais Company, which is farming the lands redeemed by draining Lake Copais in Bœotia, not far from the ancient site of Thebes, reports 1907 as the best in its history from the point of revenue. In 1906 this company farmed 112,000 stremmas (4.047 royal square stremmas = 1 American acre) and in 1907 120,000 stremmas. In 1908 they expect to have 130,000 stremmas under cultivation. Their best crop is wheat, of which they raise as high as 40 bushels to the acre. They have seven sets of English steam threshers now in use, and one American. They prefer the English as being heavier built and more durable, a great advantage where repairs are difficult and the base of supplies far from the farm. They have also two steam corn shellers. Reapers and binders

have been cast aside and the old sickle or reaping hook put in use again, as the ground is too soft for the use of reaping machines. The company plows and sows, and the tenants, called "colleagues," reap small areas, from 10 to 300 stremmas. One large pumping station with electric power has been installed for drainage, capable of lifting 1.6 tons of water per second. The company is now introducing portable electric motors from England for pumping and threshing. These machines can be attached to the electric wires which traverse the estate in different directions.

The tobacco crop of 1906–7 is estimated at 5,000,000 kilos, as against 9,000,000 kilos in 1905–6. The exportation of Greek tobacco into Egypt is rapidly increasing, being given at 3,500,000 kilos in 1907.

PRODUCTION OF MINERALS AND METALS.

The Société des Travaux Publics et Communaux announces in the report of its council of administration that the demand for magnesite is continually growing and has exceeded the output of the mines. The increasing production of the mines for the past four years was as follows, in tons: 1904, 19,165; 1905, 22,747; 1906, 32,134, and 1907, 36,520.

The society has contracted with the Anglo-Greek Magnesite Company to deliver 42,000 tons in 1908. There are several small mines in Greece not controlled by the society whose product is also handled by the Anglo-Greek Magnesite Company, which reports that it exported during 1907 45,000 tons of raw magnesite, 12,000 tons of caustic calcined and dead burnt, and 800 tons of Kymassis firebricks to America, England, Germany, and Holland.

The sulphur mines of Milo are now in a position to produce 2,000,000 kilos of sulphur annually, which will be used in domestic consumption; 12,000,000 kilos are annually imported from Italy.

The following comparative table shows the production of minerals and metals of Greece for 1905 and 1906 as given by the inspector of mines:

Description.	1905.		1906.	
	Pounds.	Value.	Pounds.	Value.
Iron	465,622	$653,781	680,620	$947,671
Manganese iron ore	89,687	228,551	96,382	234,225
Calamine	22,562	550,504	26,258	520,876
Manganese	8,171	23,655	10,040	20,973
Chrome ore	8,900	64,143	11,530	83,448
Magnesium	43,498	166,241	64,424	280,916
Lignite	11,757	27,756	11,582	32,594
Sulphur	1,126	23,353	.....	.....
Emery stone	6,972	143,299	7,565	155,800
Plaster	185	1,543	70	945
Salt	25,201	316,146	25,167	340,006
Lead-silver ore	13,729	1,314,675	12,308	1,375,234
Speiss	.....	.....	240	33,082
Marbles	[a] 2,330	96,306	[a] 2,972	52,742
Millstones	[b] 13,102	6,133	[b] 12,732	2,416
Total	.....	2,616,086	.....	4,070,928

[a] Meters. [b] Pieces.

A British company which is quarrying and exploiting the Greek marbles reported a successful year. Its chief exportation has been of white Pentelic, which it claims is now able to compete in price with Carara. Several buildings were put up in London during the past

year of Pentelic, and a considerable quantity was consumed in the United States. A Brooklyn bank used nearly 2,000 tons of this marble, and other buildings in course of construction in New York are being supplied with the same material. The increasing demand for marble has necessitated modern quarrying methods, among which are the latest models of channeling machines, manufactured by a Chicago firm. The total quantity exported by this company during 1907 to various countries was 14,058 tons.

GROWTH OF MERCHANT MARINE—RATE OF EXCHANGE.

The growth of the Greek merchant marine continues unabated. Reliable figures for 1907 are unobtainable, but the report of a member for Great Britain of the international financial commission gives the increase since 1903, during which period have been added to the Greek merchant fleet 87 steamships representing 87,230 tons burden, and 94 sailing ships of 14,138 tons.

The average rate of exchange during the year 1907 is given by the bankers at 108.75, which indicates the value of the gold drachma or franc as compared with that of the paper drachma. The rise in the exchange is attributed to the recent money crisis in America, which has thrown many Greeks out of employment in the United States and greatly contracted the steady and hitherto increasing stream of small remittances and deposits flowing into this country. Financial and industrial conditions in America have a direct and immediate as well as an indirect effect upon the finances of this country. Recent events in the United States, it is believed, will affect Greek emigration, which is likely to fall off considerably during 1908.

ARCHÆOLOGICAL EXCAVATIONS.

During the year 1907 archæological excavations were conducted by the French at Delos, the Germans at Leucas, the British at Sparta, and the Americans at Corinth. Besides this the Greek Archæological Society has begun excavating the Agora at Athens and the northern slopes of the Acropolis. In the above excavations approximately the following sums have been spent: Americans, $3,400; Germans, $3,000; French, $5,000; English, $3,500, and Greeks, $2,000.

The American school has been operating for the past two years on an accumulated fund furnished by the Carnegie Institute, of Washington—$1,500 per year, which was not used during 1905 on account of the death of the director, Doctor Heermance. In 1909 this fund terminates, and the school will be then left without funds for excavation work, unless the money can be raised in the meantime.

This admirable American institution is in conspicuous competition with those of other countries and is doing notable work. The French and German institutes are liberally aided by their Governments.

About 2,000 Americans visited Athens during 1907, the greater portion of whom registered at the various hotels.

IMPORTS AND EXPORTS.

The value of the imports into and the exports from Greece during 1905 and 1906, and for the first six months of 1907, are shown in the following statements:

IMPORTS.

Articles.	1905.	1906.	First six months 1907.
Agricultural products	$7,943,080	$9,303,939	$2,529,834
Animal products	1,011,915	923,544	460,159
Chemicals and drugs	1,308,504	1,563,898	724,301
Cotton, woolen, and other goods	4,159,668	4,243,487	1,884,887
Esparto and hatters' goods	376,733	370,500	154,358
Fish and fish products	1,297,074	1,265,154	606,228
Forest products	2,344,587	1,740,213	742,291
Furniture and wood articles	45,884	58,059	11,838
Glass, etc	448,367	397,801	170,296
Hides, leather, etc	279,817	298,533	113,949
Live stock	1,050,618	1,146,948	345,429
Metals and minerals, raw	2,189,741	2,091,933	1,182,728
Metals and minerals, worked	1,533,187	1,614,211	737,537
Musical and scientific instruments	380,143	177,339	104,655
Oil and oil substances	691,339	481,092	393,650
Paper and paper goods	639,521	614,886	336,450
Sugar, etc	591,062	557,230	293,497
Tanning material and dyes	144,128	93,690	62,124
Wines and liquors	53,072	66,718	56,815
All other articles	682,093	791,693	519,084
Total	27,170,533	27,800,868	11,430,110

EXPORTS.

Articles.	1905.	1906.	First six months 1907.
Agricultural products	$8,899,000	$11,325,291	$3,125,785
Animal products	619,452	1,086,878	485,190
Chemical products	80,674	49,346	25,628
Cotton, woolen, and other fabrics	14,296	39,201	23,755
Fish and fish products	117,128	166,421	120,041
Forest products	516,480	425,345	625,738
Glass, crystal, and crockery	16,334	2,962	2,154
Hides, leather, etc	16,812	14,048	11,127
Live stock	52,234	81,011	26,508
Metals and minerals, raw	2,937,266	4,897,707	2,486,987
Metals and minerals, worked	516,508	28,096	15,787
Oil and oil substances	700,511	2,700,178	907,923
Sugar and sugar products	133,317	54,545	17,384
Wines and liquors	1,381,805	1,828,088	1,003,310
All other articles	93,367	84,044	58,737
Total	16,095,184	22,783,161	8,936,054

RECEIPTS FROM MONOPOLIES, ETC.

The receipts of the Greek Government from its monopolies, revenues, etc., during the years 1905, 1906, and for the first six months of 1907, were as follows:

Articles.	1905.	1906.	First six months 1907.
Customs tariff	$3,533,894	$2,224,996	$1,943,718
Revenue stamps	319,538	357,332	153,646
Tobacco bands	1,577,841	1,687,200	864,442
Cutting tobacco	1,569,654	1,653,321	823,065
Stamped paper	1,445,131	1,658,525	842,426
Petroleum	1,059,601	1,072,750	439,003
Cigarette paper	445,121	480,694	248,327
Salt	502,517	541,351	238,291
Matches	290,955	278,552	152,420
Emery stone	146,299	156,020	106,254
Playing cards	50,822	59,639	23,053
Total	10,942,373	11,170,380	5,834,843

EXPORTS TO THE UNITED STATES.

The value of the exports declared at Athens and Piraeus to the United States during 1907 was $1,050,589, against $397,734 in 1906 and $351,806 in 1905. The principal articles were as follows:

Articles.	1905.	1906.	1907.
Caviar	$5,303	$3,029	$2,619
Cheese	54,036	33,059	41,486
Liquors	21,512	33,105	34,164
Marble	31,025	3,291	67,157
Oil:			
Olive	38,255	78,404	416,063
Sulphur	18,864	.....	2,637
Olives	11,391	12,112	17,965
Ore:			
Chrome	.....	64,151	166,480
Iron	2,534	.....	141,490
Magnesite	29,345	29,564	47,500
Rugs	6,139	2,080	2,807
Skins	43,605	49,904	54,522
Sponges	40,300	38,642	28,052
Wine	10,220	8,264	8,907
All other articles	39,217	42,129	18,650
Total	351,806	397,734	1,050,589

PATRAS.

By Consul Edward I. Nathan.

The year 1907 was a notable and prosperous one in the commercial history of Patras. This was due largely to climatic and other conditions favoring the currant, olive, citron, and various staple crops of Greece. The currant crop was aided by the previous severe winter, which was largely instrumental in preventing the appearance of pernosporos and other diseases destructive to the vines. This was followed by early spring rains succeeded by a long period of dry weather. Late in August, however, severe rains set in, affecting the quality as well as the quantity of the currant crop unfavorably. The finer grades suffered somewhat less severely, and Zante fruit escaped the ruin altogether. The small stock on hand from the previous year together with the lateness of the crop caused considerable forward selling by the local shippers, who in spite of the subsequent rise in prices as the damage to the crop became generally known still fulfilled their engagements.

SHIPMENTS OF CURRANTS.

The crop of currants was early estimated at 150,000 tons as against 132,000 tons for 1906, but later figures indicate that this was an underestimation. Of the exports of currants during the season ended April 30, 1908, the United States and Canada took 18,431 tons; United Kingdom, 70,495 tons; Netherlands, 26,250 tons; Germany, 9,274 tons; Austria, 2,243 tons; Australia, 3,715 tons; and other countries 1,845 tons.

The Privileged Society continued to be the prominent influential factor of the currant market. New vineyards are prohibited, but greater cultivation is encouraged by the use of copper sulphate and

other chemical fertilizers, which are being imported in increased quantities. A result of the retention of duty in kind was the establishment of the Greek Wine and Spirit Company, which utilizes the surplus currants for the manufacture of denatured spirit and currant oil for use as light and fuel.

OLIVES AND OLIVE OIL.

The Greek olive crop for the year 1907 was unusually large, ranking second only to that of 1905, the largest for 30 years. The scant production of olives prior to 1905 barely sufficed for home consumption as fruit or oil, but the phenomenal crop of 1905, contemporary with the large emigration of Greeks to America, found a surplus with a ready market in the United States. During the year 1907 similar conditions prevailed. The declared exports of olives from Patras to the United States were valued at $128,025, as against $56,928 for 1906 and $26,901 for 1905. From the port of Calamata $6,618 was the declared value of the olives exported to the United States in 1907.

The production of olive oil in consequence of the increased size of the olive crop was also greater than that of 1906, and a corresponding increase in the exports followed. The production of olive oil in the entire Kingdom was officially estimated at 45,185,610 okes, or about 11,030,000 gallons, as against 20,516,097 okes, or 6,431,692 gallons, for 1906.

AMERICAN DEMAND FOR GREEK PRODUCTS.

The large number of Greeks in the United States has created considerable demand for native Greek cheeses, butter, and other food products. Much of the cheese exported from Patras is made in European Turkey and Roumania. The various Greek wines and spirits are also securing a market in the United States, mainly for consumption by native Greeks. The wines are mostly of a spiritous and resinous nature, and a so-called cognac constitutes the principal spirit. Another item which shows a considerable increase in the amount exported to the United States is that of native Greek tobacco. It is grown mostly in the provinces of Aetolia and Acarnania.

There were no exports of licorice or licorice root to the United States in 1907, with the exception of some samples for the Department of Agriculture. During 1905 and 1906, respectively, $31,621 and $66,346 worth were exported to this country. The sole licorice manufactory of Patras was idle throughout the entire year. This was due to the high price of labor in Greece, together with the low rate of exchange, rendering unprofitable the picking of the licorice root, though existing in abundance.

THE FOREIGN TRADE.

Of the articles imported into Patras, England leads as the country of origin of cotton yarns, textiles, metals, and chemical products; France leads in medicines, glass, and crockery; Austria in sugar, coffee, and paper; the United States in firearms; Italy in hats and conserves, and Russia in cereals, closely followed by Bulgaria. The small share of the United States in imports can be accounted for by the fact that many articles of American origin, such as cotton,

wheat, and petroleum, find their way into Greece, but are credited to other countries. American cotton goods, textiles, hardware, tools, machinery, canned goods, such as oysters, lobsters, and salmon, should find a ready market in Greece, especially in the Patras consular district.

The total imports into Patras during 1907 amounted to $3,119,901. The following statement shows the leading items and the principal countries of origin:

Articles.	United States.	Austria.	Italy.	France.	Turkey.	United Kingdom.
Artus	$25,480	$1,421	.....	.....	.....	$188
Cereals	.....	585	$519	$951	$171,606	.....
Cotton	303	5,275	3,545	.....	49,003	19,626
Fish, etc	.....	6,161	22,496	2,522	.....	39,506
Glass, etc	1,693	15,213	6,827	22,366	.....	13,909
Metals	261	36,826	1,469	9,451	699	74,891
Mineral waters, etc	.....	17,149	2,091	26,120	.....	11,041
Leather and hides	.....	4,085	286	1,591	.....	1,677
Lumber	.....	205,276	88,330	140	14,239	2,190
Sulphate of copper	.....	14,901	20,049	16,266	.....	318,504
Paper, etc	.....	20,400	3,215	1,006	.....	1,308
Textiles	.....	57,707	27,025	28,991	11,146	405,045
Yarns	.....	1,048	7,300	1,269	.....	69,995

The value of exports from Patras, according to the figures of the Greek custom-house, during 1907 was $4,531,052. Of this amount the United States took articles worth $806,506; United Kingdom, $2,064,463; Germany, $1,044,334; Netherlands, $171,700; Australia, $191,959; Austria, $168,368; France, $50,294; and all other countries, $35,223.

DECLARED EXPORTS TO THE UNITED STATES.

The value of the exports declared at Patras to the United States during the past three years is shown in the following table:

Articles.	1905.	1906.	1907.
Fruit:			
Citrons	$36,508	$24,566	$51,531
Currants	940,778	1,301,836	2,790,435
Figs	3,990	6,983	23,287
Olives	26,901	56,928	128,025
Licorice	31,621	66,346	.....
Oil, olive	512	13,342	24,347
Provisions:			
Butter	.....	640	2,697
Cheese	1,216	25,586	111,917
Soap	228	331	552
Wine	1,623	1,212	6,831
All other articles	9,488	7,563	15,265
Total	1,052,865	1,505,333	3,154,887

The exports declared at the Calamata agency to the United States during 1907 were valued at $158,922, consisting of the following principal articles: Figs worth $48,374; cheese, $63,597; olive oil, $25,373; olives, $6,618; currants, $8,210; fish, $1,831; wine, $1,028; and tobacco, $789. From the Corfu agency the exports declared to the United States in 1907 amounted to $12,270. The articles were: Olive oil, $11,872; household effects, $300; books, $50; and spirits and wine, $49.

SPAIN.

INTRODUCTION.

The commercial agreement between the United States and Spain which went into effect on August 27, 1906, gave the United States an equal chance as far as duties are concerned in the trade of Spain, and as a result both exports to and imports from that country have increased. According to Spanish figures the exports to the United States increased from $10,977,406 in 1906 to $13,986,318 in 1907. According to the United States figures the imports from Spain in the calendar year 1907 reached $16,111,926, an increase of $4,669,895 over 1906, while the exports to Spain reached $23,415,854, an increase of $2,862,279. Of these exports nearly $16,000,000 was in raw cotton Unmanufactured tobacco, oil, timber, and foodstuffs made up the greater part of the remainder.

For the fiscal year ended June 30, 1908, the exports to Spain were $21,906,379, an increase of $575,995 over the preceding fiscal year, while the imports from Spain were $14,152,712, an increase of $726,047 over the fiscal year 1907. Owing to the depression caused by the financial situation trade fell off during the early months of 1908. The exports to Spain from the United States consist mainly of raw materials. Less than $100,000 worth of agricultural implements go to that country, and less than $500,000 in iron and steel products. The imports from Spain consist of about $4,000,000 worth of fruits and nuts and $1,800,000 worth of cork, $800,000 worth of wine, over $1,000,000 worth of sulphur ore; nearly $500,000 worth of copper ore and regulus, and iron ore and various other articles, largely in the nature of raw materials.

A GREATER MARKET FOR AMERICAN PRODUCTS.

Both imports and exports have increased, and there is no doubt a considerable field in Spain for a larger sale of American products. The tariff revision, which took place in 1906, increased the average of rates and made the duties payable in gold. That caused exchange to fall, which lowered the peseta value of all imports 20 per cent. This quickened foreign competition and increased consumption, though it caused great losses to importers. But the new tariff is regarded as having helped in the development of the country. A law which became operative on February 14, 1907, provides that for all kinds of services and public works for the State articles of national production only shall be used. The Government may make exceptions in favor of foreign manufactures in emergencies designated, such as imperfections in national products, great difference in cost, etc. Every year in September there must be published a detailed

list of the goods and products for the acquisition of which foreign industry is considered necessary. This law is applicable to contracts for municipal and provincial services and works, and is said to have been brought about by the manufacturers of Portland cement. The effect has been to help domestic production.

The country is capable of great development, but has been proceeding slowly. The value of the imports from 1896 to 1906 did not vary greatly, except in 1898, the year of the war with the United States, when they fell off, while the exports declined from 1896–97 to 1904–5. Almost one-half of the imports are raw materials. Imports of manufactured goods and foodstuffs are about equal in value. In exports raw materials are nearly one-half of the total value. Manufactured goods exported in 1906 were to the value of 241,000,000 pesetas, while foodstuffs were exported to the value of 327,000,000 pesetas.

RICH IN MINERALS—DRAWBACK TO TRADE.

The country is rich in minerals, and the exports of iron and copper ore, iron pyrites, and lead in pigs increased in 1907. Iron, coal, zinc, cobalt, lead, and other minerals are found in paying quantities, though owing to high transportation rates development of mines in the interior is greatly retarded. Iron leads in value in the output, followed by lead ore and coal. Large quantities of coal are imported, but much of it is exported. Great Britain furnishes the greater part of the imported coal. Of manufactured mineral products exported coke leads, amounting to 448,073 metric tons in 1905, followed by cast iron, 305,462 tons; conglomerate, 290,830 tons; hydraulic cement, 290,605 tons; and steel, lead, and silver in the order named. Taxes are imposed on the declared area of the mines and 3 per cent of the value of the ore at the pit's mouth, which is said to lead to much underestimating of the product of the mines. The high cost of coal in the interior interferes greatly with Spanish development. Freight rates are heavy, and coal sells at some interior cities at over $10 a ton. A Barcelona firm of coal merchants makes contracts to evaporate so many tons of water a week at a given price, using any kind of coal for the purpose. In that way the coal merchants sell steam rather than coal. Wood is used for boilers in some parts of the country, and wood and coal combined in others.

The Government is making liberal provision to educate the people and develop the country, but its work is impeded by the large national debt and the great expenditure for maintaining an army of 100,000 men. The national debt is equal to about $100 per capita, and the annual interest charge is over $4 per capita. The last returns of the Government showed that 68 per cent of the inhabitants could neither read nor write, but the expenditures for school purposes have been *greatly* increased.

The emigration from the country is chiefly to Brazil, Argentina, Uruguay, and Cuba. The Spaniards in South America sent home in 1906, according to the president of the Banco Hispano Americano, 20,000,000 pesetas, and a considerable amount came from Cuba. In 1905 the average taxation per capita of the population was 59.14 pesetas.

LOW RATES OF WAGES.

According to the Instituto de Reformas Sociales, the average agricultural wages in Andalusia and Estremadura (which include Cadiz, Malaga, Seville, etc.) vary from 1.40 to 3 pesetas per day. The food of a farm laborer in the province of Seville consists of a loaf of bread of about 3 pounds, 3 liters of oil, 4 of vinegar, half a liter of salt, with a few garlics, and extras of oranges, olives, etc., in season. Only domestics, overseers, guards, and tenant farmers take hot food.

The daily wages in a representative Bilbao mine run from 2.25 to 4.75 pesetas, according to the skill and character of the work done. The monthly wages of an engine driver are from 110 to 160 pesetas, while the station master on a railroad gets from 212 to 225 pesetas a month. For unskilled labor, 2 to 2.50 pesetas for twelve hours' work is the usual price. In Alicante women work at fruit canning for 10 to 13 centesimos (100 centesimos = 1 peseta) an hour, according as they sit or stand. A British agent reports that ordinary wages for work in general in the Elche district, where cheap footwear is produced, are 2.50 pesetas per day for men and 1 peseta for women. Owing to this low rate of wages, comparatively little machinery is used, and there is said to be an opportunity for considerable development in that direction. There are comparatively few Spaniards who farm on a large scale, and as a result blindfolded mules still slowly draw the buckets from the well, and mares are trained to tread the corn. The money in circulation is silver, and 6 pesetas to the American dollar has been the average value for three years. The premium on gold increased during 1907 from 8.05 to 13.20 per cent, and still further increased in the early part of 1908 to over 15 per cent. Customs duties are payable in gold pesetas, the fixed value of which is 19.3 cents each.

EXPORTS OF FRUITS AND COTTON—ELECTRICAL DEVELOPMENT.

A lower tariff on oranges and lemons in Russia has stimulated exports to that country of those articles. A low grade of cotton goods is exported. The tariff on raw cotton was reduced from 15 to 13 pesetas per ton, which increased the importation. A law of 1904 gives a prize of 50,000 pesetas for the cultivation of cotton in Spain, but no one has yet claimed the money. Two British engineers employed by the Spanish Government reported that "the climate of Andalusia seems to be very suitable for cotton growing," but no one has appar-

ently sought to grow cotton. The exports of manufactures reach about 50,000,000 pesetas annually and are of the poorest kind of goods.

Electrical development has been proceeding rapidly, in part because of the high cost of coal in the interior. A competent authority has estimated that taking Spain as a whole there is an average of 10,000 horsepower of water available in nearly every province except Castile, where less than 3,000 horsepower is at present used. There is a heavy duty on all kinds of machinery, and first-class machinery is made by only two firms in the Kingdom, and the market is small. The imports of metals and metal products amount to less than 9,000,000 pesetas annually. The demand for machine tools, sewing machines, cash registers, typewriters, and such things is increasing and will undoubtedly continue to increase. Electric engines are used to a considerable extent, and, like many other things, when properly exploited by competent salesmen who can speak the Spanish language, a greater demand can be created for them. Bad roads, dear petrol, and the loss of wealth in the Cuban war are said to have retarded the motor trade. There is a demand for copper wire for electrical development, none of which is manufactured in Spain. There is only one manufacturer of electrical cables and wires in the country. An American firm, according to a British agent, has developed an amazing business throughout Spain for cash registers, which shows what can be done with a new article when properly introduced.

THE WHEAT MARKET—OIL AND SUGAR.

The average production of wheat in Spain is 29,520,000 metric quintals, or 82 kilos per hectare (quintal = 101.4 pounds). The average consumption is 32,000,000 quintals. Some years more is produced than consumed, but a considerable quantity is imported generally. The import duty on 100 kilos net of wheat is 8 pesetas; on flour, 14 pesetas. Goats are principally used for milking, and mules for traction, heavy horses being a rarity. There are only two tin-plate factories of any importance in Spain, but there is a considerable field for tin-plate products. The millers want a rebate on flour exported when made from imported wheat, but the opposition so far has prevented such legislation.

The sugar monopoly controls fifty-five factories, but there is a growing opposition, and at last accounts there were twenty free factories in operation, while the sugar monopoly had twenty of its factories closed. Owing to the high price of sugar only 5.53 kilos per head are consumed of that article, as compared with 35.55 kilos in Great Britain. The average retail price of lump sugar is 1.50 pesetas per kilo. There is a law, passed in 1907, prohibiting raw-sugar factories for three years. There was a heavy increase of duties on electrical goods, dynamos, and motors; still the demand is large.

REDUCED RATES ON RAILROADS—VARIOUS SYNDICATES.

The railroads sell what are known as kilometric tickets, in which they offer a large reduction of fares, affording a great saving to commercial travelers and tourists. Such tickets are sold good for a year, and can include seven persons of one family or three of a commercial firm, and the reduction of fare as a result of their use is considerable. Railway facilities have been considerably improved in recent years, and commercial travelers have become more numerous, particularly from Germany.

The British commercial agent in Madrid, in speaking about credits, says that the average Spanish customer is as safe in making payments as one of any other European country. Advertising is limited. Tramcars and railway stations are little used for that purpose. In order to introduce any new article it is considered advantageous to obtain a royal warrant from the King, and for that purpose it is necessary for the applicant to be recommended by a person of repute in a letter to the intendente del palacio at Madrid, and $200 is charged for granting the permit.

There is an iron syndicate which began operations January 1, 1907, to be in operation for five years. By it the consumption of iron girders and plates is divided proportionately, and orders are distributed from the central office. There is a glass trust, an alcohol trust, salt trust, etc.

Catalogues are of less use in Spain than in some other countries, and should be printed in the Spanish language when used at all.

A steamship line from the United States to the west coast of Africa via the Canary Islands is greatly needed, according to the consul at Teneriffe. Transshipments now greatly increase the cost of American goods, which would be obviated by a direct line.

REVIEW OF TRADE CONDITIONS OF SPAIN.

By CONSUL-GENERAL BENJAMIN H. RIDGELY, BARCELONA.

There is a general feeling that 1907 was not a disappointing year in Spain, yet there is nothing in superficial conditions to indicate any considerable commercial betterment. With the exception of wheat, the crops were mostly good, and what the wheat crop lacked in quantity the growers made up largely in increased prices. There was an abundant olive crop, and this in itself means a great deal to certain large agricultural districts. There were also fine crops of oranges, lemons, peanuts, onions, rice, and the various other products that maintain the southern provinces of Spain. In spite of the terrible inundations which caused great disaster in Malaga and immediate environments, the returns from that region indicate largely increased exports of almonds, and only a small falling off in the value of the raisin crop. Almeria, the center of the production and exportation of the famous Spanish white grapes, known to commerce as

"Malaga grapes," had a year of unusual prosperity. Exports of grapes to the United States alone amounted to $1,798,889.

PROSPERITY GENERAL—FLOOD LOSSES.

Attention may well be called to the growing importance of Almeria as a seaport. The future of its iron ore trade seems sure and brilliant, and what with the electric railway which is to connect the famous Alquiefe mines with the port, and the line that is projected to run through the rich mineral district of the western part of the province, there is reason to think that Almeria may become the Bilbao of the south.

Another source of great profit to southern Spain is the rich mineral industry at Huelva, and Rio Tinto in Andalusia. According to all reports the year 1907 was a very good one for this industry. Exports of cupreous pyrites from the Rio Tinto district to the United States amounted to $1,132,348 during the year, and iron pyrites to $1,005,540.

Catalonia, of which Barcelona is the center, the great industrial region of Spain, suffered, as did Malaga, from severe inundations, but in spite of this there is every reason to think that the year has been as good as, if not a little better than, 1906.

From the north comes the report of a fairly prosperous year at Bilbao, the mining and commercial center of that region, and in short, while merchants, manufacturers, and even agriculturists complained of hard times, there was really very little to complain of in comparison with other years, except the individual losses which certain persons suffered by the inundations in Andalusia and Catalonia. At Manresa, in the province of Barcelona, the floods destroyed manufacturing plants and stocks to the value of several million dollars, but these losses do not appear to have affected the commerce of the region.

INDUSTRIAL SITUATION—LOW WAGES AND MANNER OF LIVING.

The real resources of the country have never been developed. Owing to lack of irrigation, great tracts of land, which might be made to yield abundant and profitable harvests, are left uncultivated. The peasants lack buying power. They have little money, and even though industrious and frugal, as a rule, they can not find employment at living wages. This has resulted of recent years in a great amount of emigration. Nevertheless, there seems to have been more money in circulation during 1907 than during any recent previous year. This is attributed partly to the better yield of the majority of crops which brought money more freely into the agricultural provinces. It also enabled merchants to dispose of accumulated stocks, and in this way the year appears to have been more profitable to merchants generally than to manufacturers, for while the merchants were getting rid of old stocks; manufacturers, on the other hand, had, until the latter part of the year, to face a continual advance in prices of raw materials and an increase in the cost of production for which they found it impossible to obtain any compensating improvement in their selling prices, because of the stocks in dealers' hands.

A point frequently overlooked in estimating the possibilities of Spain as a commercial and industrial country is that the average Spaniard is the most perfect exponent of the simple life to be found among civilized nations. Setting aside a small minority who imitate the ways of the moneyed classes of other countries, the ordinary

Spaniard will go about his daily work clad in the very cheapest and poorest clothes, while his home comforts, from an American standpoint, are very meager. This frugal mode of life has, no doubt, its merits, but it is not conducive to trade. Unskilled labor is considered well paid in Spain by a daily wage varying from 1.50 pesetas (25 cents) in the villages, to 3 pesetas (50 cents) in the large cities, and with the cost of the necessaries of life increasing year by year, it will readily be understood how little can be spared for clothing out of so poor a pittance, or still less for those little comforts which in other countries have become indispensable, and which add so appreciably to the volume of a nation's commerce. There is, relatively speaking, no purchasing power in the country. The evidences of wealth and prosperity seen in a city such as Barcelona are no criterion by which to judge the rest of Spain.

IMPORTS AND EXPORTS.

A summary of imports and exports for the years ending December 31, 1905, 1906, and 1907, prepared from official figures, will give a very good idea of Spain's exterior commerce. To be absolutely correct, the values should be stated in Spanish silver pesetas, the money in which they were declared, but in view of the frequent and wide fluctuations of the silver peseta in its relation to gold, the values in the following statement have been converted to United States money equivalents, on a basis of the average gold value of the peseta during the past three years, 6 pesetas to the American dollar:

Classes of goods.	Imports.			Exports.		
	1905.	1906.	1907.	1905.	1906.	1907.
Earths, stones, minerals, glassware, and ceramics	$16,307,522	$17,547,736	$15,808,486	$32,861,638	$30,127,798	$30,483,046
Metals and metal manufactures	7,850,814	8,867,808	8,982,648	24,480,299	26,567,196	25,045,921
Drugs and chemicals, including chemicals used in agriculture	18,021,184	15,839,798	18,016,336	6,013,687	6,276,171	6,030,820
Cotton and cotton manufactures	19,525,842	24,355,821	25,600,586	8,753,131	7,716,386	8,849,634
Other vegetable fibers and manufactures thereof	3,551,666	3,490,881	4,002,345	652,022	444,354	456,930
Wool, hair, etc., and manufactures thereof	2,718,585	3,384,284	2,930,505	4,790,271	3,200,744	3,684,433
Silk and silk manufactures	3,492,415	3,879,021	3,580,963	1,361,910	1,043,966	1,019,565
Paper and paper manufactures	2,262,577	2,416,366	2,510,377	1,804,809	1,915,820	1,847,046
Wood and grass, and manufactures thereof	8,800,754	7,725,819	8,839,380	9,883,110	10,623,759	11,614,077
Animals and animal products	11,403,848	15,679,014	14,493,613	11,642,278	10,436,616	9,316,243
Instruments and machines of all kinds	14,450,626	15,409,071	14,970,071	471,447	625,000	637,920
Alimentary substances	59,030,007	42,994,195	27,399,368	53,458,439	48,666,630	52,372,865
Tobacco leaf (Cuban) and tobacco manufactures (cigars and cigarettes)	4,109,355	2,905,811	4,139,969			
Gold bars and money	101,880	48,975	105,475	14,693	28,214	18,954
Silver bars and money	1,652,434	1,065,007	749,948	1,927,772	895,605	2,319,769
All other articles	2,059,838	3,422,749	3,285,889	1,030,601	1,082,079	1,444,690
Total	176,239,954	169,033,946	155,424,868	159,146,167	149,650,338	155,141,813

FINANCIAL DISTURBANCE—NEW INVESTMENTS.

The immediate effect of the financial stringency in the United States was shown in the disturbed market values of certain commodities. The financial situation in Spain was not affected, the discount rate remaining the same, 4½ per cent, throughout the year. The fluctuating rate of foreign exchange, rather than its depreciated

currency, practically isolates Spain from the world of finance. During the past year this isolation proved a distinct advantage, for while in other countries the year witnessed a heavy fall in the value of all securities, both Government and industrial, the quotations of Spanish investments not only remained steady but in many cases rose in value. The increase in the premium on gold, which steadily rose during 1907 from 8.55 per cent to 13.20 per cent, and which at the time of sending this report stands at 15.25 per cent, may partly be attributed to the steady efflux of capital attracted by the high rate of interest abroad. I have heard on good authority that very large sums were invested by Spanish capitalists in American railroads at the time of the recent financial disturbances in the United States.

The new capital issued during last year amounted to 55,670,000 pesetas (about $10,000,000), the rate of interest being 4, 4.5, and 5 per cent, except in one case, where it was 6 per cent. Forty-five new stock companies were formed in Spain during the year, with a nominal total capital of 80,690,000 pesetas (about $15,000,000), about $12,000,000 of which may be considered as paid up.

Besides these, British capital to the amount of $5,225,700 was subscribed for exploiting different new mining companies in this country, and French and Belgian capitalists invested $8,127,000 in new enterprises, comprising mines, railroads, and electric tramways. In all, the amount invested in new undertakings during the year aggregated 141,000,000 pesetas (about $23,500,000).

EFFECT OF CURRENCY VALUES ON FOREIGN TRADE.

It should be understood that, while Spain ostensibly has the double standard, the only money that circulates is silver or its equivalent in bank notes. Gold is never seen. The more the Spanish silver currency is depreciated in its relation to gold, the more profitable is the export business of this country, for merchants and manufacturers, while selling abroad in gold, pay all their labor and other home expenses in silver.

In 1905 Spanish silver in its relation to gold was depreciated at an average, during the year, of 28 per cent. Hence the year was an excellent one for exportations. On the other hand the rate of depreciation during 1906 was less than 12 per cent, and there was a considerable falling off in exports. During 1907 the rate of depreciation grew higher again, with an average of 15 per cent, the result of which was increased exports and naturally decreased imports. Thus, we have the unique situation of business being more prosperous as the currency depreciates.

Spain is largely indebted to her natural products for the improvement in her export trade, although under the head of cotton and cotton manufactures we find that exports increased during 1907 by $1,133,248, knit goods contributing to that total to the extent of $300,825, and dyed and printed cloth to the extent of $483,400.

A fair improvement is also recorded in the exports of wool and woolen manufactures, but this is entirely due to the increased demand from abroad for raw wool, for while the exports of the raw product rose from about $2,664,900 in 1906 to about $3,253,900 in 1907, nearly all manufactures show a decided falling off.

Barley, which in 1906 was exported to the value of 436,611 pesetas, rose to 1,476,593 pesetas in 1907. Rice, on the other hand, fell from 3,159,333 pesetas in 1906 to only 1,902,801 pesetas in 1907. Exports

of onions, potatoes, tomatoes, garlic, almonds, filberts, raisins, and all fresh fruits increased considerably during 1907.

ORANGES, ONIONS, AND COTTON GOODS.

Valencia is the center of Spain's fine orange trade, and the prosperity of that rich agricultural region depends largely upon this crop. During 1907, 1,430,000 cases were exported, against 1,500,000 boxes in 1906, and there are still large stocks on hand. It is complained that the prices realized during 1907 were considerably below those of 1906, a fact which may be largely attributed to the unusually abundant crops of all other kinds of fruit in Europe in 1907.

In the midst of these rather discouraging low prices, Spanish orange and lemon growers see some comfort in the new treaty between Russia and Italy, which went into effect January 17, 1908. This treaty reduces the customs duty on oranges and lemons imported into Russia from Italy 36 per cent, and as Spain has a commercial treaty with Russia according her the most-favored-nation rights, she will benefit equally with Italy by this reduced tariff, and may thus be able to find a new and profitable market for her oranges and lemons.

Onions constitute one of Spain's most important and most profitable crops. It is conceded that the best onions of commerce in Europe are of Spanish growth. The crop is variously estimated at $10,000,000 to $20,000,000, and it is known that the crop of 1907 was a particularly good one. Valencia is the most important center of the trade, and from that region 1,380,000 crates were exported in 1907, as against 1,240,000 crates in 1906.

The efforts being made by the large cotton manufacturers to enter foreign markets seem to show how ill equipped they are to compete with other manufacturing nations when unsupported by abnormal conditions, such as an excessively depreciated currency and highly protected colonial markets. In the lowest grade goods only are they able to compete with certain English and German manufactures which find an outlet in Turkey and the Balkan States.

The arrangement whereby the cotton printers are able to offer a bonus of from 5 to 10 per cent to shippers to foreign markets, by increasing the home prices 10 per cent, has done something to increase the exports during the last half of 1907 to Central and South America, but merchants are not very hopeful of ultimate success.

TRADE OF SPAIN WITH EUROPEAN COUNTRIES.

England and France were Spain's best customers in 1907, as they were for many previous years. France takes market produce in large quantities, and is also a liberal buyer of wines, particularly those which are used for blending. In return, France supplies Spain with silk and other kinds of dress goods, machinery, chemicals, glassware, furs and dressed skins, etc. To England Spain sends her ores, fruits, sherry wines, onions, and potatoes, and receives in return large quantities of coal, machinery, woolen cloths, fine cotton yarn, and chemicals.

Germany continues to be the hardest pushing commercial unit in Spain. Her travelers generally speak Spanish, and always French, and are here every day in the year. German merchants, themselves, frequently come to see what the market demands. They carefully study Spanish tastes and supply them. The Germans also meet the Spanish demand in the matter of long credits. In many lines

Germany heads the list of imports into this country, as, for instance, in chemical dyes. A large trade was formerly done with French merchants in indigo, but this has almost completely disappeared, and in its place has come German synthetic indigo. Germany has established important banks in Spain, and great business colonies at Barcelona, Bilbao, and other cities, and has in every way identified herself with Spanish commerce. There is hardly a line of its manufactured goods which does not find a place in the list of imports into Spain. Spain sends to Germany her ores, fruits, cork, and a little wine. Hamburg merchants also buy cheap cotton knitted goods here, such as undershirts and hosiery, which are shipped to Hamburg for exportation to Central and South America and the Philippine Islands.

Belgium finds in Spain a good market for her steel rails and other metal manufactures and has secured the principal share of the small trade in linen yarns.

The imports from Switzerland consist of watches, condensed milk, cheese, and embroideries, in exchange for which Spain sends wines and cut corks. It is difficult to arrive at any approximate estimate of the volume of trade between the two countries, the Spanish statistics being completely at variance with the Swiss official returns. This is attributed to the fact that shipments of wine to Switzerland, sent via Cette to Genoa, are entered as exports to France or Italy, as the case may be.

The trade carried on between Spain and the Scandinavian countries is almost confined to imports of lumber and dried codfish from Sweden and Norway and of canned butter from Denmark. The exports from Spain to those countries are made up of wine, raisins, olive oil, fresh fruit, common salt, and pig iron.

Russia supplies Spain with lumber, wood pulp, and hemp from her Baltic ports and wheat and petroleum from the Black Sea, and takes in return wine, oil, fresh and dried fruit, common salt, iron pyrites, pig lead, and copper ore.

Italy, owing to her natural products being similar to those of Spain, is perhaps her most formidable rival in many other markets. The principal imports from Italy are marble, hemp, sulphur, charcoal, and staves. The exports to Italy are made up chiefly of cut corks, olive oil, pressed sardines, alimentary conserves, grapes, almonds, and iron and copper ores.

IMPORTS FROM THE UNITED STATES.

Although statistics are not yet at hand showing the imports into Spain by countries during 1907, it is likely that there has been an increase from the United States. This is certainly the case in the instance of raw cotton, which forms the bulk of the trade. The imports of pork and pork products, as well as of certain preserved meats and of tinned goods, are also increasing, thanks to the new commercial treaty, which went into effect on September 1, 1906, placing the United States on equal terms with other countries. There have also been increased imports of machinery, machine tools, typewriters, and sundry other American manufactured products.

Staves form a very considerable article of import from the United States, and there is an increased outlook for this product because of the royal decree reducing the ocean transport tonnage tax on ships coming to Spain from the United States to the same rate as that on vessels coming from Europe. This means that staves will

pay a transport tax of 2.50 pesetas (42 cents) less per ton in the future than heretofore, which will of course enable importers to sell them just that much cheaper. In view of the new commercial treaty, which frees United States products from the former heavy discriminating customs duty, and of this decrease in the tonnage transport tax, American staves will probably outsell all others on the market.

EXPORTS TO THE UNITED STATES.

Exports from Spain to the United States increased largely, viz, from $10,977,406 in 1906 to $13,986,318 in 1907, an increase of $3,008,912. [The value in Spain of the imports from that country in 1907, according to the United States figures, was $16,111,926, an increase of $4,669,895 from 1906. The exports to Spain were valued at $23,415,854, an increase of $2,862,279. Nearly $16,000,000 of the exports was of raw cotton.—B. of M.]

Iron and copper pyrites and ore from the Rio Tinto district, corks, cork shavings, cork waste, fruits, wines, nuts, crude glycerin, arsenious acid, olives, olive oil, licorice root, and other similar agricultural products form the principal part of the exports from Spain to the United States. Spain is also more than maintaining her commerce with the Philippine Islands, as is evidenced by the fact that she exported $1,930,711 to those islands in 1907, as against $1,604,334 in 1906.

The principal exports to the Philippines are from Barcelona, and these cover nearly the whole range of Spanish textile production, wines, shoes, and tinned foodstuffs. The several most important articles exported are cotton undershirts, shoes, canvas sandals, playing cards, and cheap cotton prints.

The following statement shows the exports, by consular districts, from Spain to the United States, Porto Rico, and the Philippine Islands for 1905, 1906, and 1907, the values being those fixed by the exporters, the aggregate not agreeing with the United States official figures:

Consular districts.	1905.	1906.	1907.
To the United States:			
Barcelona and agencies	$2,471,084	$2,618,368	$3,456,598
Jerez de la Frontera	400,068	425,943	472,776
Madrid	173,430	135,409	120,621
Malaga and Almeria	1,951,022	2,197,229	3,284,937
Seville, Huelva, and Port St. Marys	2,736,206	4,813,192	5,135,176
Valencia	702,009	810,486	1,528,589
Total	8,433,819	11,000,627	13,998,697
To Porto Rico:			
Barcelona and agencies	349,914	419,177	519,789
Jerez de la Frontera	.....	6,810	8,569
Madrid	5,222	10,607	16,432
Malaga and Almeria	29,175	21,300	30,334
Seville, Huelva, and Port St. Marys	47,923	79,386	68,736
Valencia	46,045	40,756	46,788
Total	478,279	578,036	690,648
To the Philippines:			
Barcelona and agencies	1,163,049	1,388,818	1,691,356
Jerez de la Frontera	.....	17,102	17,664
Madrid	12,521	93,753	123,338
Malaga and Almeria	22,339	26,058	23,029
Seville, Huelva, and Port St. Marys	5,656	55,283	69,542
Valencia	40,071	23,320	5,782
Total	1,243,636	1,604,334	1,930,711

THE WINE TRADE.

Wine is to a large extent the backbone of Spain's exterior commerce. In the Logroño district excellent table wines, in imitation of French clarets and sauternes, are being produced by special treatment, and the producers are finding a very profitable market in Spain and South and Central America, though no serious effort has been made to find an outside European market for them. It is not disputed that the red wines (clarets) of Rioja and Logroño compare most favorably with the ordinary French claret wines of the famous Bordeaux region—and many connoisseurs prefer them. Spain recognizes in California a serious rival for the English market and admits that unless she can produce more wine and sell it cheaper than at present she can not hope to sell her cheap table wines there in competition with California.

Altogether the present situation in the wine trade is not particularly promising for creating new foreign markets. The heavy cost of transportation by rail, enhancing by 30 to 50 per cent the cost of the wine at the ports of shipment, makes it all but impossible to market abroad the wines grown in the center of the country. It is also believed that with the present abolition of the octroi duties the home consumption will be so much increased as to leave comparatively little good ordinary wine for export. The entire production of wine in Spain during 1907 is estimated at about 29,000,000 hectoliters (766,093,000 gallons), being rather in excess of the production of previous years. Owing to the rains which fell during the vintage season, the wines, generally speaking, were of a lower alcoholic grade than last year. Exports on the whole show a falling off, although shipments of sherry and of the full-bodied Catalan wines were not only well maintained but show some improvement.

From January 1, 1908, the octroi duty on wine on entry into all Spanish towns of more than 30,000 inhabitants has been removed, thus appreciably cheapening its cost to consumers. Spain's most important wine clients are France and Switzerland. England and the United States are large buyers of her sherry wines. Her total exports of wine during the eleven months of 1907 were $10,198,717, as against $9,863,095 for the same period of 1906. Jeres, the center of the sherry wine trade, reports a good year, with increased exports to the United States, Great Britain, France, and other consumers of these wines. Many new vineyards have been planted in recent years in the Jerez region, and some of these came into bearing during 1907.

SUGAR PRODUCTION AND PRICES—TRADE COMBINATIONS.

There are 80 sugar refineries, large and small, in Spain, and of these 50 produce beet sugar, the others cane sugar. La Sociedad Azucarera de España owns 70 per cent of the sugar factories. This means in short, a sugar trust, supported by the Government and by legislation which temporarily prohibits the creation of other factories than those at present existing. Sugar is a source of large revenue to the Government, which regards the trust with a certain paternal consideration. As a consequence a law was passed on August 7, 1907, which forbade the establishment of new factories for a period of three years. The Government tax on sugar, under the new law, was increased from $4.35 to $6 per 100 kilos (220.46 pounds), which, of course, materially affects the price of sugar in Spain. The average wholesale prices of sugar in Barcelona during 1906 and 1907 per 100 kilos (220.46 pounds)

were as follows, in United States currency: White granulated, $20; white loaf and lump, $22.75; fine white powdered, $34; light brown, $19. The retail prices were as follows, per kilo (2.2 pounds): White granulated, 21 cents; white loaf, 25 cents. The price per kilo in Madrid and Valencia is 19 cents, and in Corunna and Granada, 20 cents per kilo for ordinary white sugar.

The spirit of trade combination was one of the marked features of 1907. Among the important trusts that now exist are, first of all, the great sugar trust, which is supported by direct legislation, the glass trust, the alcohol trust, and the salt trust. The cotton cloth manufacturers of Barcelona also organized a sort of combine during 1907, and one of the latest trusts organized is the chicory trust, with headquarters at Bilbao, the purpose of which is to maintain the prices of chicory, which it is claimed had fallen much too low; and an orange trust is talked of. The cotton spinners of Catalonia are also organizing a combine which will probably be in operation before July 1, 1908. There is no doubt but that the spirit of trade combination is being seriously developed in Spain.

RAILWAY DEVELOPMENT.

Several short sections of railways under construction were opened to traffic during the year 1907, the most important being the completion of the line between Guadix and Baza, thus connecting the railway system of the east coast with the Andalusian lines; the narrow-gage line from Penarroya to Pozoblanco, which was pushed forward 30 miles; and also several short loop lines on other narrow-gage roads in the north of Spain, which were also opened to traffic; in all 71 miles.

Several important projected lines have received Government approval during the past year, viz: Puertollano to La Carolina, Granada to Motril, Orgivia to Lobras, Valdepeñas to Infantes, Casa Gomis to Manresa, and Alicante to Alcoy, all narrow gage; Argamasilla de Alba to Tomelloso, and Baza to Calasparra, normal gage. The concessions granted comprise only short loop lines or extensions of existing railways and tramways. Many lines are projected, but the majority may either remain indefinitely in project or be completely abandoned. Those which may possibly be carried out are the lines from Jerez de la Frontera to Arcos, from Valdepeñas to Albacete, Denia to Villajoyosa, and Linares to La Carolina.

Steps are also being taken to revive the unsuccessful scheme for building the direct line between Madrid and Bilbao, but as the available traffic is limited doubts are entertained of these efforts meeting with the necessary support. The modification introduced into the Ley de Ferrocarriles Secundarios will have an important bearing on the development of railway communication in Spain. Concessions will now be granted for single lines separately, on the basis of a cost of 80,000 pesetas (about $13,500) per kilometer (0.62 mile), instead of for various prearranged groups which included some lines which were manifestly unproductive. The amended act authorizes the Government to guarantee an interest of 4 per cent per annum on the capital subscribed.

Under this head reference must be made to the increased Government tax on all ordinary passenger tickets, which came into effect on January 1, 1908. This tax, which up to that date was 20 per cent, is now 25 per cent. The fares on the principal Spanish railways

are, per kilometer (0.62 mile) as follows: First class, 2.1 cents; second class, 1.6 cents; third class, 1.02 cents, United States currency. This would mean about 4.5 cents per mile for first-class travel, and any other class, except for the very poorest voyagers, is virtually impossible in Spain. To increase railway comfort the Government has approached the companies with a view to their placing hot-water foot warmers in the second and third class cars, as at present this luxury is reserved only for first-class passengers. The companies are considering the possibility of meeting the additional expense entailed by this improvement.

The North of Spain Railway Company, which is the most important in the country, closed the year 1907 with gross earnings of about 124,700,000 pesetas (about $20,700,200), or an increase of $584,000 as compared with the receipts of 1906. The other lines show receipts, more or less, equal to those of 1906. During 1906, twelve short lines or sections were opened to traffic, the total mileage amounting to only 144 kilometers (89 miles).

Although much is being said about the approaching inauguration of the work on the Trans-Pyrennean railways, those in a position to know the facts are afraid that there is no immediate prospect of anything being done on the Spanish side. For the present international traffic between Spain and France existing lines are found adequate.

Interest has lately been aroused in the Government's scheme for providing Spain with a system of light narrow-gage railways to connect existing main lines and bring many districts into direct railway communication with the rest of the country, which up to the present have had no access to the large cities, except by means of bad roads or mere bridle paths. These lines, with a gage of only 1 meter (39.37 inches), will receive a subvention from the Government varying between $5,000 and $13,500 per kilometer (0.62 mile), according to the topographic condition of the country through which the lines are run. One of the most important of these narrow-gage lines now in contemplation is that between Manresa and Barcelona, a distance of 43 miles, along the valley of the Llobregat. The estimated cost would be about $3,000,000. In the north of Spain, principally in the vicinity of Vigo, numerous electric railways are projected and will likely be built at an early date, as the country there is rich in mines which for lack of means of transport have not yet been exploited.

OCEAN STEAMSHIP COMMUNICATION.

There are 40 steamship lines maintaining regular services between Spain and foreign countries, viz: From the ports of northern Spain to the River Plate and Brazil, 13; from the Mediterranean to Venezuela, Colombia, and Colon for Central America and Pacific ports, 4; from the north of Spain to Venezuela, Colombia, and Central America, 2; from the Mediterranean and Cadiz to Pacific ports, via Straits of Magellan, 2; from Cadiz to Pacific ports, 1; from the north of Spain to Cuba and Mexico, 7; from Cadiz and the Mediterranean to Cuba and Mexico, 4; from Cadiz and the Mediterranean to the United States, 5; from Bilbao around the Peninsula to India and the Far East, 1, and to the west coast of Africa, Canary Islands, etc., 1, and a few unimportant cargo lines to the United Kingdom, Germany, and France.

A good regular service between Spain and the United States is maintained by the Compania Trasatlantica de Barcelona, whose

ships of from 5,500 to 7,000 tons burden leave Barcelona the 26th, Malaga the 28th, and Cadiz the 30th of each month for New York and Habana.

The Deutsche Dampfschiffahrts-Gesellschaft Kosmos of Hamburg announced some time ago that, beginning in February, 1908, it would establish a regular monthly line of sailings from Barcelona to the Pacific. Steamers of 10,000 tons burden were promised for this service. They sail direct from Barcelona to Punta Arenas, Chile, touching on the way at St. Vincent, Cape Verde Islands, and thence up the Pacific, south of South America to Valparaiso, Callao, Guayaquil, and San Benito. There is a considerable movement of Spanish wines, cheap manufactured cotton goods, and certain tinned table delicacies from Barcelona to the Pacific ports of South America.

EMIGRATION.

There was a slight falling off in emigration from Spain in 1907 as compared with 1906, but the disposition of the poorer classes to leave the country has not been checked by any means, although the so-called "home colonization" scheme of the Government, if put into practical effect, may accomplish something in that direction. This scheme in brief is a proposition to partition all uncultivated Government lands among the poorer agricultural classes in such manner as to enable any industrious Spaniard to own his own little tract and earn a satisfactory livelihood. Whether or not this scheme can be made practical remains to be seen. It is believed in any event to have had a certain influence during 1907 in checking emigration, in spite of all the alert and ceaseless efforts of the various steamship agents who keep up their propaganda in one way or another, even in the very teeth of Government opposition.

The chief emigration from Spain is from the Galician and northwestern provinces, and Corunna and Vigo are the principal ports of embarkation. There is also considerable emigration from the provinces of Castile and Leon. The great majority of emigrants belong to the agricultural classes. Those from Castile and Leon emigrate usually with their families, and establish themselves permanently in South America. As a rule, it is poverty alone that compels them to leave Spain. The greater part of the Asturians and Galicians, on the contrary, leave their homes without their wives and children, and only remain in foreign countries until they have succeeded in saving enough money to return to Spain and establish themselves as small landed proprietors. The emigration from the Galician and Asturian provinces is similar to that from Italy; and there are many peasants from those regions that have actually made the voyage to Cuba or South America several times.

From Vigo the bulk of emigration is to the Argentine Republic and Brazil. At this port during 1907 the total number of emigrants embarked was 23,544. Of these, 12,120 went to the Argentine Republic, 5,775 to Brazil, 1,480 to Cuba, 122 to Mexico, 1,143 to Chile, and 1,143 to Panama, the latter being laborers for the canal. From Corunna the bulk of the emigration goes to Cuba, and the Plate River. Emigration to Cuba fell off in 1906 and in the early part of 1907 because of the disturbances in that country, but during the summer and latter part of 1907 it returned to normal figures, though neither in 1906 nor 1907 were the figures of 1904 and 1905 reached. Emigrants to Cuba are largely field hands who go to get employment

during the harvest and come back to Spain afterwards. They go over generally in the fall months and come back in the late spring and summer.

There is relatively very little emigration from Spain to the United States. For example, during the year 1907 the total direct emigration to the United States did not reach 2,500, but it is likely that many more Spanish emigrants to the United States embark at Hamburg, Antwerp, Havre, and Liverpool than at Spanish ports.

The total emigration from Spain in 1907 is estimated at 81,000, against 83,325 in 1906.

PETROLEUM, ELECTRICITY, AND ACETYLENE GAS—SHIPPING.

One of the striking features of 1907 in Spain was the falling off in imports of petroleum. In 1906, 41,796 tons, valued at $1,602,550, were imported, as against 20,660 tons, valued at $775,165, in 1907. This decrease is due principally to two causes: The largely increased use of electricity for lighting purposes and the increased use of acetylene gas. Electricity is now used lavishly in all the cities and many of the towns of Spain, and even in many villages. Acetylene gas is also growing rapidly in favor and is used in nearly all towns and villages which are not supplied with electricity. In many villages there is a public gasometer which supplies acetylene gas to the villagers, and where such a gasometer does not exist nearly all the houses are supplied with portable acetylene lamps instead of petroleum lamps as formerly. Many farm houses (haciendas), as well as many villas, are also supplied with individual plants for producing acetylene gas. Thus it is not to be wondered that petroleum for lighting purposes is rapidly going out of use. The crude petroleum imported into Spain comes almost entirely from the United States.

There were considerably increased imports of lubricating oils into Spain during 1907, viz, 9,641 tons, against 7,438 tons in 1906, valued at $723,116 and $559,416, respectively. One explanation of this increased import is the increased use of machinery in Spain, and another the almost unprecedentedly high price of olive oil during 1907. Certain manufacturers of white goods in Spain prefer to use olive oil for lubricating purposes, as they claim it makes less dirt, and they do this whenever the price of that oil will permit; but in 1907, owing to its scarcity and high price, they were compelled to use ordinary lubricating oils, and thus the demand for those oils was considerably increased. This year, however, there is an abundant crop of olives and oil will be cheap; hence, smaller imports of lubricating oils may be expected. At least 80 per cent of the lubricating oil imported into Spain comes from the United States.

Of the 16,871 vessels which entered Spanish ports during the eleven months ended November 30, 1907, 7,945 were foreign vessels, but not one was an American merchant vessel.

In 1907 a cable of one conductor was laid for the Spanish Government between the shore of Somorrostro, Barcelona, and Cala Mayor, Palma de Majorca. The Government has also recently announced extensions and changes in cables between Spain and Morocco. As to wireless telegraphic stations, Spain has only one now in use, and that is owned by a Madrid newspaper combination.

BARCELONA.

By Consul-General Benjamin H. Ridgely.

Barcelona appears to be the least known of all the great cities of Europe, yet in population and modern splendor of urban development and construction it is the first city of the Mediterranean. It has, for example, at least two and one-half times the population of Genoa and 200,000 more than Marseille. Naples alone of the cities of the Mediterranean approaches Barcelona in population, and Naples has, it is estimated, at least 50,000 less than the Spanish metropolis. Madrid, in the popular estimation, and indeed according to the official census of Spain, is rated as larger than Barcelona, but as a matter of fact Barcelona has 150,000 more people than Madrid, and its population, in the city and immediate surroundings, is close to 750,000. Not only is Barcelona itself the industrial and commercial center of the Spanish Peninsula, but the consular agency districts which form part of the consulate-general are all important centers of trade or shipping.

GROWTH AND PROGRESS OF THE PORT.

In recent years no other seaport of southern Europe can show such a remarkable record of natural growth and progress in every branch of commerce. Barcelona is called the Manchester of Spain, being the center of the cotton manufacture of the Iberian Peninsula, and one of the best customers for American raw cotton. About 350,000 bales of cotton are imported annually, and of these 75 per cent comes from the United States. More than 100,000 operatives are employed in the various cotton factories in and about the city, and cotton goods of every variety are manufactured.

The port of Barcelona is one of the finest on the Mediterranean. It is said to be a little larger than the port of Marseille, though not so large as that of Genoa. With the one-half mile of splendid new storehouses which have just been completed, it is almost equal to any port on the Mediterranean in respect to facilities for handling freight. About 4,500 vessels enter and clear annually. Of these two-thirds are steamships, and about two-thirds are Spanish vessels engaged in the coasting trade. There are regular lines from Barcelona to every important port of Europe, and two lines with regular monthly sailings from Barcelona to New York.

The leading imports are coffee, about 60,000 bags annually, cocoa beans, wheat, staves, hides from South America, China, and British India, coal, from 800,000 to 1,000,000 tons annually, nearly all British, all classes of manufactured articles from Europe and the United States, and raw cotton from the United States and Egypt.

The principal exports are olive oil, aguardiente, garlic, almonds, rice, walnuts, candles, shoes, soap, paper, vermicelli, red pepper, and white and red wines.

HARBOR WORKS.

Considerable progress was made during the year in the harbor extension works. It was in 1868 that the necessity of improving and enlarging the port of Barcelona became apparent and from that time

up to the end of 1907, $10,000,000 was spent on the construction of breakwaters, quays, warehouses, etc. It is estimated that at least $9,000,000 additional will be required before the work will be finally completed in 1920.

The cost of these improvements is being covered by a special tax on all goods landed at Barcelona, which was authorized by the Government for this purpose and which produces an average annual sum of about $4,500,000. When completed, the total length of quays for mooring vessels will be about 9,100 yards. The area of the inner port is 250 acres, while the outer or new harbor will have a surface area of about 75 acres.

When all the projected new wharves are terminated the mean draft for vessels in the inner harbor will be 29½ feet and in the outer basin 36 feet.

COTTON IMPORTS—SALES OF PRINTED GOODS.

More raw cotton was imported into Barcelona during the past season than during the preceding two years. The following statement shows the number and origin of bales imported during the last three years:

Description.	1904-5.	1905-6.	1906-7.	Description.	1904-5.	1905-6.	1906-7.
	Bales.	*Bales.*	*Bales.*		*Bales.*	*Bales.*	*Bales.*
American	288,582	239,092	277,748	All other	3,156	10,675	13,138
Egyptian	23,088	21,245	19,072				
Indian	22,976	46,085	62,279	Total	343,584	328,350	385,740
Levantine	5,782	11,253	13,503				

With the object of pushing the sale of Spanish printed cotton goods, the leading manufacturers in Catalonia have come to an agreement whereby prices have been raised 10 per cent. Exporters, on application to the combine, and upon undertaking to buy from no outside manufacturer, obtain the return of this 10 per cent, and in addition a further discount amounting to about 5 per cent on all shipments made to foreign markets. Leading export merchants inform me that their sales to Central and South American markets have increased during the past three months, in consequence of this premium, but, on the other hand, I learn that the home trade has fallen off, because during the past year sales of cotton prints and knitted goods to the Far East have shown a marked falling off, which is attributed partly to the higher value of the silver currency in Spain at the beginning of the year, and partly also to the competition from Japan.

HIDES AND LEATHER—MARKET FOR PAPER.

Barcelona does a considerable business in hides and leather, and also in the manufacture of shoes of all classes.

The tanning industry, which is never flourishing, found it impossible to follow the continual increase in the price of hides, so that while tanners during the greater part of the year were buying as their needs required and selling almost at a loss, the sudden fall in prices toward the end of 1907 had no serious effects, as no stocks were

being carried; in fact, it has rather been of advantage to tanners, inasmuch as sole leather has not participated in the general decline of the raw hides.

The year 1908 began under promising conditions, owing to strikes and other causes, stocks of leather were low, and recent arrivals of large amounts of Plate River hides were readily taken up by tanners, who saw in the favorable reports of the present crops the prospect of a more profitable turnover during the coming year than they have had for some time past. Imports of dressed upper leather indicate a considerable increase over the figures for 1906. The degree of perfection which the tanning industry has reached in the United States, and the comparatively cheap price at which these goods can be sold, permit their import notwithstanding the protective tariff, and has forced native tanners to confine themselves to supplying only the commoner grades tanned from East Indian hides.

Barcelona offers a considerable market for paper, and prices of nearly every kind of paper began to rise toward the end of November, 1907, owing to the increased cost of wood pulp. The only qualities which have not been affected are the better grades of note paper, and the common wrapping paper, known as straw paper, the price of which has been only slightly raised, and that merely in sympathy with the general advance, which has been 5 per cent on medium qualities and 10 per cent on the ordinary press paper.

The paper industry is dependent upon foreign imports of wood pulp, for although efforts are being made to make the pulp in this country it is found that the highly resinous nature of the native timber renders it unsuitable for the purpose, so that in any event foreign timber will have to be imported.

EXPORTS TO CUBA AND MEXICO—SHIPPING RETURNS.

The exports from Barcelona to Cuba and Mexico showed considerable increase in 1907 as compared with 1906, and attention is called to the fact that these exports are not only maintained in value but in variety. The records of the Cuban consulate-general at Barcelona show that 6,073 separate invoices of goods were certified in 1907, as against 5,808 in 1906. The declared value of the goods amounted to $5,539,404 in 1907, as against $4,812,620 in 1906. The principal exports to Cuba are cotton cloth, cigarette paper, shoes, wine, olive oil, saffron bark, fans, cotton umbrellas, canvas sandals, stearin, waterproof cloth, soap, mosaic paving tiles and blocks, mineral water, hemp thread, books, silver purses, almonds, canned goods, garlic, cotton prints, and cotton undershirts. The exports, particularly of cigarette paper and cotton undershirts both to Cuba and Mexico, though considerable, are growing.

The number of ships that entered and cleared under the Spanish flag during 1907 has not yet been announced, but these would be at least equal to the foreign ships in number, if not more. It may, therefore, be stated that about 4,100 ships entered and cleared during the year, which is rather below the average. It is also notable that not a single American ship entered or cleared at Barcelona during either 1906 or 1907. This same comment, however, is true of all Spain.

The following statement shows the nationality of the foreign shipping entered and cleared at Barcelona in 1907:

Nationality.	Sailing vessels.		Steamships.	
	Number.	Tons.	Number.	Tons.
ENTERED.				
British	1	88	225	297,677
French	7	4,338	106	135,142
Italian	132	34,227	174	442,649
German			85	83,874
Norwegian			80	64,675
Swedish			15	13,341
Russian	3	1,249	13	12,183
Greek	12	4,885	16	21,016
Austro-Hungarian			83	118,047
Belgian			26	29,940
Other			39	24,594
Total	155	44,787	862	1,243,138
CLEARED.				
British	1	88	227	299,399
French	7	4,338	106	135,142
Italian	137	35,640	175	447,929
German			85	83,874
Norwegian			83	68,216
Swedish			15	13,341
Russian	3	1,249	13	12,183
Greek	12	4,885	16	21,016
Austro-Hungarian			84	119,984
Belgian			27	31,292
All other			39	24,594
Total	160	46,200	870	1,256,970

AMERICAN GOODS GROWING IN DEMAND.

The year 1907 saw American products of certain types in more general use in Barcelona than in any previous year, but it must be admitted that no great advances were made except in one or two special lines. One of the features of the year was the increased imports of American files. This office reported when the new commercial treaty with Spain was put into effect that there would be a profitable market here for our files, and the largely increased imports this year have more than sustained that assurance.

There have also been increased imports of machinery and particularly of machine tools. This is a business that might be largely developed in Spain if our exporters would adopt European methods. Some of our exporters of machine tools make the mistake of appointing as their agents persons or firms who are already representing not only other American firms but important continental houses as well. Exporters should either come to Spain themselves or else send reliable American representatives, who in looking the field over personally would be able not only to select satisfactory agents but learn something practical as to the most satisfactory method of doing business in this country.

Among other American manufactured products in evidence here are meat choppers, ice-cream freezers, reading and invalid tables, rubber shoes, safety razors, inking pencils, hardware, revolvers, typewriters, and cash registers.

American sewing machines, strictly speaking, are not in evidence. The sewing machine most sold throughout Spain bears an American

name, and is indeed an American invention, but it is now and has been for some years made wholly in the United Kingdom by British labor, and consequently can not be properly considered as an American product. The time has therefore arrived for manufacturers of American sewing machines made in the United States to try for the Spanish market. A good cheap machine would sell here if properly introduced, but it would have to be both better and cheaper than the German machines which have been put upon the market, and cheaper at the outset than the British-made machine with the American name. The Spanish customs duty on sewing machines, it may be added, is based on weight, comprising the stand as well as the machine. The best way to import them would probably be to bring in the machines apart and have the tables made here.

The retail prices of sewing machines in Barcelona are as follows: Ordinary machines for tailors, seamstresses, and shoemakers, from $37 to $54 when sold for cash; when sold on the installment plan, about 25 per cent extra; cylindrical machines, from $47.50 to $72.75 when sold for cash, and 25 per cent extra when sold on the installment plan. Ordinary domestic machines retail at from $18 to $40.

RAILWAY SUPPLIES—CASH REGISTERS AND TYPEWRITERS.

It is astonishing that no American railway supplies are sold in Barcelona, which is a very considerable market for articles of that class. A dealer showed me only a few days ago a check for $10,000 which he had just received from a Spanish railway company for supplies furnished. These were all German and were principally car springs, axle boxes, copper boiler-flue plates, copper tubes, and the like. In fact, Spain manufactures virtually no railway supplies, and nearly all that are used are imported from Germany and Belgium. Mounted wheels and axles, copper boiler plates, flue plates, fish plates, iron bolts for fish plates, spikes, car couplers, coupling chains, etc., might all be sold here; but they must be sold through local agents and the usual credit must be given. This would probably be sixty days in the case of railway supplies.

Barcelona has not heretofore been a large market for cash registers, but during 1907 notable progress was made and perhaps 400 machines are now in use in the city. Most of these are in drug stores, small retail shops, and dairies. Singularly enough, the cafés, which are very numerous in the city, have not yet introduced a single register. Those that are in use are all of American manufacture. Efforts were made, it is said, to introduce a European-made machine, but not a single one has been sold here so far as I can learn.

American typewriters are still far ahead in this market. Nearly all the important makes are represented and sold here. The Germans are getting some business, but as the superiority of the American article is recognized it sells, in spite of its slightly higher price. A novelty in this market has been recently introduced in the form of a baby German typewriter with a French name, a tiny thing that looks about the size of a pocket kodak. It does fairly good work, and is said to be selling well at $43.

AMERICAN FOOD PRODUCTS, ETC.

American hams are more generally sold in Spain than any imported hams, and are steadily growing in favor, though owing to the high prices of all pork products in this country, whether of local origin or imported, and to the lack of buying power in the country, the consumption of hams is relatively very small. American hams are used for cooking. The local article, whether smoked or dried, is eaten raw. American sausage casings are also imported in considerable quantities, but in many instances through German houses. Canned beef and mutton, canned salmon and lobster, hog's grease, fatbacks, and lard are also imported to a considerable extent from the United States.

This office has more than once suggested the possibility of introducing American condensed milk into Spain, but for one reason or another the idea does not appear to appeal to American manufacturers of that product.

Two American products that are growing in favor and importance at this port are lubricating oil and staves. Both show considerable increases during 1907, and there is every reason to think that this increase will be maintained during the present year.

The cry of nearly all the importers of manufactured articles is for practical household and hardware novelties. Any simple, inexpensive novelty of a practical sort will find a ready sale here.

HOW TO INCREASE AMERICAN SALES.

Competition from Germany, with her banks and colonies in Spain, traveling salesmen, willingness to give credits, and promptitude and cleverness in adopting manufactured articles to the tastes and habits of the people, is something to be met successfully to gain trade. Americans are at the disadvantage of being much farther away from the market, and of having much greater freight rates to pay, etc. But in spite of all these things certain products, such, for example, as machine tools, gas and electrical engines, pulleys, joints, pumps, etc., might be sold on a much larger scale than they are if some of our merchants would come or send reliable representatives to the country to study it and cater to its wants. German and French commerce is largely assisted by the German and French banks which have been established in the country, and which freely give aid to their merchants.

If catalogues are to be sent at all they should be printed in Spanish and prices should be expressed in English pounds sterling, or in French francs, f. o. b. New York, and all weights and measures should be expressed according to the metric system. Consideration should also be given to the question of credits. Many first-class agents who do business for other countries can not take up American lines for the reason that they are compelled to pay for the goods against shipping papers. In many instances, though not in all, credits can be safely given in Spain, and must be given if business is to be done, and merchants should send first-class men to look over the field and establish agencies. In regard to customs duties our new commercial treaty with Spain has put us on a basis with the most favored nations, and there is now no discrimination against us in that respect.

The shipping facilities between Barcelona and the United States are ample, but unfortunately the rates for freight are high, and this operates considerably against small freights. It is believed that a parcels-post service with Spain similar to that between the United States and Germany would largely favor trade with America.

AMERICAN COAL.

The possibility of introducing American coal into Spain on a large scale has long been a subject of great interest, and American coal companies have been kept regularly and carefully advised as to the situation at Barcelona. The prices of British coal last year were higher than in any year since the boom of 1900. The year began with a rise of about a shilling (24 cents) per ton over the previous December, and steadily increased until the beginning of September, when rumors of financial difficulties, first in Egypt and later in the United States, had a disquieting effect. Once having started down grade prices fell rapidly, and although some qualities are still relatively high in price the market at the time of writing is demoralized and purchases are only made to fill immediate requirements.

The following table shows the quantities and origin of all the coal unloaded at Barcelona during 1907 as compared with 1906:

Origin.	1906.	1907.	Origin.	1906.	1907.
	Tons.	*Tons.*		*Tons.*	*Tons.*
Cardiff	271,252	259,861	Swansea	86,065	50,129
Newcastle	274,291	245,796	Rotterdam	19,027	.....
Sunderland (coke)	6,129	6,134	Spain (Asturias)	167,638	271,147
Leith and Methil	50,940	55,519			
Grimsby, Goole, and Hull	10,244	3,959	Total	885,886	892,545

The most striking feature of the above figures is the increased receipts of Spanish coal. It is evident that the Spanish mines in the Asturias are being worked as they never were before. Importations of German coal ceased entirely during 1907.

AMERICAN SHOES EXCLUDED—ELECTRICAL ENGINES NEEDED.

This consulate has invariably had to report adversely concerning the successful importation of American shoes. In Barcelona and at Palma de Mallorca, and Mahon in the Balearic Islands, there are large manufactories of shoes, which not only supply the entire Spanish demand but export largely to the former Spanish colonies and to Central and South America. Local shoemakers also do excellent work at American prices. They work with American leather largely, and almost invariably imitate American shapes. During the year an effort was made by an energetic Filipino to introduce American shoes here, but the customs duty of 8 pesetas ($1.54) per kilo (2.2 pounds) was more than he could stand and he had to abandon the enterprise.

The local branch of a German company, cooperating with the German electric power and light company here, is rapidly extending the use of electricity for industrial purposes in Barcelona and surrounding districts. Many large mills have already substituted electricity for steam as a motive power and others are contemplating the same course.

I learn that this company undertakes to supply current to the mills at a price 20 per cent below the present actual cost to the owners of running their machinery by steam. The price, of course varying according to the horsepower contracted for, works out to between 6 and 8 centavos per kilowatt per hour. Important generating stations have also recently been erected near the towns of Vich and Gerona, which, being able to utilize neighboring waterfalls, are in a position to supply electric power at low rates to the numerous cotton mills in those districts. An Austrian company is said to have furnished the plant for some of these installations. As commercial undertakings their success appears at present to be somewhat doubtful, but they certainly indicate the progress which electricity is making as an industrial factor in Spain and prove that there is undoubtedly an opening here for American electrical machinery.

I have always believed that American electrical engines of all classes could be sold in Spain and have more than once called attention to that fact. The market still exists and is perhaps in better condition to be worked than heretofore, but this can only be accomplished by sending first-class men to the country and establishing show and sales rooms in Barcelona, Madrid, and other cities.

IMPORTS FROM THE UNITED STATES.

It is difficult to obtain complete statistics as to imports at Barcelona. No segregated account of values is taken or kept at this custom-house, only weights and measures being considered. The following tables from figures furnished by the Barcelona custom-house have been prepared; and while the values of the articles are not given a general idea may be had of the character and quantities of the merchandise imported at Barcelona from the United States during 1907, which is probably a little in excess of 1906, and certainly not less than the imports for that year:

Articles.	Quantity.
Acetate of lime....tons..	687½
Accumulators and batteries, electric....pounds..	475
Alimentary products, not otherwise specified....tons..	7½
Animal products....do....	1½
Arc lamps....pounds..	297
Asbestos:	
Manufactured....do....	363
In sheets....do....	1,322
Automobiles....number..	7
Bedsteads, and other metal furniture....tons..	10¾
Beef, jerked and hung....do....	2¾
Beer and cider....gallons..	120
Bicycles....pounds..	160
Boilers:	
Cylindrical....tons..	1½
Multitubular....pounds..	980
Books:	
In Spanish....tons..	1
In other languages....do....	1½
Bricks, etc., for furnaces....do....	8½
Cables, steel, for electric currents, pounds....	226
Candies and biscuits....pounds..	897
Carriage frames....tons..	33
Carriages....number..	2
Cartridges, ball....tons..	2½
Casks, barrels, etc., of wood....do....	469¾
Caustic, soda and potash....do....	21
Cheese....pounds..	220
Chemical products, other....tons..	13¾
Cocoa, raw....tons..	6¾
Coffee....do....	18½
Colors, mineral:	
Raw....do....	9½
Prepared....do....	18
Copper articles:	
Plain....pounds..	345
Fancy....do....	305
Wire....do....	770
Cork, manufactured....tons..	1
Cotton:	
Raw....do....	60,956
Trimmings....pounds..	222
Dessert foods, canned....do....	1,346
Dye extracts....tons..	33½
Dynamos:	
Light....do....	3
Weighing over 880 pounds, pounds....	1,150
Emery stone and paper....tons..	1½
Engines:	
Steam....do....	1½
Gas and steam....pounds..	1,336
Firearms....do....	220
Fly wheels for machinery....tons..	2¼
Fodder....pounds..	926
Furniture:	
Common woods....tons..	1½
Fine woods....pounds..	77
Several woods....do....	1,247
Glass:	
Ordinary....tons..	6
Window panes....pounds..	1,302

Articles.	Quantity.
Glue.....tons..	2
Guano and other natural fertilizers.....pounds..	1,032
Gunpowder.....do....	1,056
Guts, hog, for sausage casings..tons..	396
Hams, pork, and other hog products.....tons..	143
Hemp thread:	
Up to No. 50.....do....	1
Over No. 50.....do....	13½
Hides:	
Raw.....do....	8
Tanned and prepared.....do....	11½
Not otherwise mentioned...do....	42½
Hooks, eyes, fasteners, and similar articles.....tons..	2,193
Ink:	
Printers'.....do....	12¾
Writing.....do....	8
Instruments:	
Automatic musical.....pounds..	880
All others.....do....	490
Iron:	
Rails.....do....	1,582
Bars.....tons..	9
Rods less than 1 millimeter thick, tons.....	1
Sheets.....tons..	22½
Wheels.....do....	5¾
Springs, butts, etc.....do....	2½
Iron and steel:	
Hoops.....pounds..	955
Hoops and springs.....tons..	6½
Iron in cast-iron goods:	
From 25 to 100 kilos.....do....	1
From 1 to 25 kilos.....pounds..	376
Less than 1 kilo.....do....	520
Iron axles:	
Straight.....tons..	4¾
With joint.....do....	1¾
Iron and steel tubes.....do....	4¾
Iron and steel tubes over 45 millimeters thick.....pounds..	900
Iron and steel pieces:	
Small.....do....	321
Large.....tons..	1
Beaten.....pounds..	513
Other kinds.....do....	905
Iron wire:	
From 1 to 5 millimeters thick, pounds.....	1,254
Less than 1 millimeter thick.tons..	10
Cables.....pounds..	712
Jute, abaca, agave, etc., in raw state.....tons..	22
Kitchen utensils, pots, etc., polished and enameled.....tons..	1¾
Lamps of all kinds.....pounds..	48
Leather:	
Patent.....do....	820
Sole.....do....	503
Belting, etc.....do....	113
Locks and padlocks.....do....	930
Locks and catches for windows and doors:	
Plain.....tons..	4
Polished.....do....	1
Locomotives up to 35 tons.....do....	715
Lumber:	
Ordinary, in planks.cubic meters..	20,806
Hard and fine woods.....tons..	355
Machinery:	
Agricultural.....do....	273
Of copper.....pounds..	473
Not of copper.....tons..	17
All other.....pounds..	884
Machine tools:	
Light.....tons..	6
Heavy.....do....	108
Machines of other kinds.....do....	64¾
Mantels, sanitary fittings, etc. pounds..	1,896
Maps, drawings, etc.....tons..	1¾
Marbles, jaspers, etc.:	
Unmanufactured.....do....	3
Manufactured.....do....	1
Meats (tinned beef and mutton), pounds.....	1,685
Medicines:	
Containing sugar, glucose, and saccharine.....tons..	1
Containing alcohol.....pounds..	1,834
Medicinal wines.....do....	456
Motors, hydraulic.....tons..	2½
Nails, hooks, etc.....pounds..	1,089
Ochers and colored earths.....tons..	1½
Office supplies.....pounds..	382
Oil, cocoanut and palm.....tons..	1
Oil cloth.....pounds..	908
Oleonaphthas, etc.....tons..	2,533
Paper, continuous:	
From 20 to 39 grams per square meter.....pounds..	1,865
From 40 to 50 grams per square meter.....tons..	3
From 51 to 100 grams per square meter.....tons..	1
Common wrapping.....do....	1½
Colored.....pounds..	653
Bags, etc.....do....	352
Envelopes.....tons..	2
In printed matter.....pounds..	1,183
Pulp for making.....do....	257
Paraffin, in mass.....tons..	680½
Perfumery, containing alcohol, pounds.....	1,958
Perfumery and essences, other kinds, tons.....	4½
Petroleum.....tons..	2,927
Pharmaceutical products, all other, tons.....	5½
Phonographs.....pounds..	77
Phosphates, natural.....tons..	9,000
Pianos and pianolas.....number..	6
Pills, etc.....tons..	2½
Pitches, tars, resins, and similar products.....tons..	1,078
Pumps of all kinds.....do....	9½
Quinine and its salts.....pounds..	322
Rivets, bolts, and nuts.....do....	1,430
Rubber:	
Raw.....tons..	1¾
Side pieces for shoes.....pounds..	543
Waterproof material.....do....	200
Shoes.....tons..	1¾
In other goods.....pounds..	119
Rushes, reeds, etc.:	
Made into furniture.....do....	550
Made into other articles....do....	255
Safes and strong boxes, iron....tons..	2
Sardines, canned.....do....	1½
Sewing machines.....do....	2¼
Shoes, leather.....do....	1½
Soup pastes.....do....	1¾
Staves, oak, etc.....do....	9,031
Stearin.....pounds..	652
Stones, n. e. s.....do....	1,047
Stoves, cooking and heating....do....	1,256
Sulphate of soda, etc.....tons..	32
Tallow and other animal fats...do....	123
Tarred cardboard and cloth.pounds..	354
Tin:	
Sheets.....tons..	5
Manufactured articles...pounds..	1,320
Tools:	
Saws, files, etc.....tons..	10¾
Boring (awls, etc.).....do....	5½
All other hand.....do....	9
Toys, all kinds.....do....	1¼
Typewriting machines.....do....	10
Varnishes of all kinds.....do....	7½
Vegetable products:	
Used in medicine.....do....	7½
Not otherwise mentioned.pounds..	530
Canned.....tons..	1¾
Weighing machines.....do....	2¾
Wire netting and fencing.....do....	3¾
Wood:	
Planed and sawn.....do....	13¾
In manufactured articles....do....	1¾
Zinc articles plated.....pounds..	396

EXPORTS TO THE UNITED STATES AND COLONIES.

The accompanying statements show in detail the declared exports from Barcelona to the United States, Porto Rico, and the Philippine Islands for 1905, 1906, and 1907. The totals indicate a steady increase in exports of nearly all the classes of merchandise exported not only to the United States but to the colonies. The largest single article of export to the United States is arsenious acid, which has increased from $69,323 in 1905 to $128,728 in 1907. It enters the United States free of duty. Crude glycerin, another article of considerable export, has increased from $69,366 in 1906 to $100,113 in 1907. On the other hand, there is a small falling off in exports of licorice paste, which is the third article of importance in the list of exports from Barcelona to the United States.

An important article of export from this district to the Philippine Islands is cheap cotton goods, principally undershirts. Exports of this article increased from $555,926 in 1906 to $621,513 in 1907. Several foreign firms have agents here who buy these undershirts from local manufacturers and export them direct to Manila. It is also believed that certain firms occasionally buy this same article in Barcelona, ship it to their home countries, and export it therefrom to the colonies as of their own manufacture.

Cheap cotton umbrellas are still exported from Barcelona, not only to the American colonies but to all South and Central America, in large quantities, notably to Mexico and Cuba. Exports to Porto Rico, although still very small, are increasing; in 1907 they amounted to $14,400, as against $5,650 in 1906 and $3,361 in 1905. An American merchant doing a considerable bazaar business in the Philippines was here recently, saying that he had come particularly to buy cotton umbrellas and face powder, which he said he could import more advantageously from Barcelona than from the United States.

The following tables show the value of exports declared at Barcelona for the United States, Porto Rico, and the Philippines during the calendar years 1905, 1906, and 1907:

Articles.	1905.	1906.	1907.
FOR THE UNITED STATES.			
Antimony:			
Oxide of	$999	$3,790	$1,381
Regulus	.....	5,317	.....
Arsenious acid	69,324	67,981	128,728
Baggings, old jute	29,600	55,557	20,790
Books, classical, and novels	2,711	3,780	1,118
Capers in vinegar	2,005	2,425	554
Capsules, metal	8,153	228	.....
Corks, cut	8,273	5,840	6,205
Cotton cloth	4,895	9,927	12,441
Cotton cuttings and waste	69,760	16,563	40,459
Fireworks	.....	1,548	2,157
Glycerin, crude	82,339	69,366	100,113
Hides, horse, and moist salted	1,122	11,900	1,169
Jacks, for breeding	5,147	3,956	5,386
Lace goods	8,439	6,669	2,264
Lentils	1,358	10,866	8,865
Licorice paste	71,600	90,075	65,100
Mineral water	10,775	12,387	9,968
Olive oil	6,710	6,181	6,850
Paper, card and cigarette	3,137	3,064	5,225
Pepper, red and ground	5,983	5,786	4,049
Purses, silver	.....	450	1,773
Salt	.....	3,239	14,405
Skins, goat, sheep, and lamb	14,146	10,167	.....
Vegetables, canned	.....	110	3,013

Articles.	1905.	1906.	1907.
FOR THE UNITED STATES—continued.			
Walnut wood	$858	$1,131	$3,137
Wines	2,550	3,231	2,183
All other articles	17,909	53,022	47,256
Total	427,883	464,556	494,589
FOR PORTO RICO.			
Almonds, shelled	1,661	3,110	3,102
Biscuits	1,273	1,652	1,833
Blankets	1,224	1,156	1,902
Books, printed	4,954	7,351	8,098
Bricks, cement	623	2,903	3,831
Candles, stearin	1,131	1,380	2,900
Caramels	1,138	897	981
Chick-peas	4,668	1,891	6,090
Cotton cloth	4,898	12,038	11,585
Demijohns, empty		2,350	3,804
Fans	1,126	2,142	1,122
Filberts	1,560	3,039	3,131
Fish, canned	280	936	850
Fruits, canned	1,240	5,833	2,506
Furniture	2,378	1,941	2,737
Garlic	22,384	30,742	19,056
Guitar strings	2,504	1,957	2,408
Hams	628	710	323
Hemp twine and rope	993	1,495	2,561
Leather and dressed skins	15,593	19,876	27,522
Linen cloth	18,511	20,335	23,599
Meats, canned		357	1,259
Medicines and drugs	1,900	2,725	2,806
Mineral water	1,991	3,142	5,409
Olive oil	5,007	7,352	10,633
Olives, preserved	1,933	867	861
Onions	3,088	2,219	563
Paper:			
Cigarette	9,693	18,909	10,902
Straw wrapping	31,060	27,345	29,005
Peppers, canned	713	2,517	2,118
Sandals, hemp	1,721	4,326	3,775
Sardines, canned	614	1,802	3,714
Sausages	2,211	2,182	2,741
Shoes, leather	35,596	44,604	29,747
Soap, common	65,427	60,485	22,800
Socks and stockings, cotton	5,814	8,243	9,311
Sweat bands, leather	786	570	857
Towels, cotton	749	662	2,826
Turron	1,767	8,612	940
Umbrellas, cotton	3,361	5,850	14,400
Vegetables, canned	300	1,825	4,331
Vermicelli	1,653	2,270	4,449
Wines	3,993	3,408	7,658
Woolen cloth		699	2,873
All other articles	25,777	25,486	23,579
Total	293,921	369,021	324,913
FOR THE PHILIPPINES.			
Almonds, shelled	2,256	2,473	2,709
Bacon	562	347	383
Beans, fresh French	2,785	5,734	12,001
Biscuits	734	3,440	2,231
Books:			
Ruled	4,465	3,216	2,075
Novels, etc	4,277	12,104	17,021
Brass ware	321	893	601
Buttons, bone	878	1,385	583
Calendars	1,204	432	954
Candles, stearin	8,055	8,464	10,845
Caps:			
Woolen	2,539	6,186	6,804
Silk	743	1,804	7,312
Caramels	842	2,339	2,046
Cards, playing	30,271	38,697	46,162
Chemicals			2,051
Cloth:			
Cotton	85,430	227,926	319,852
Linen	36,210	5,060	1,086
Silk	1,134	152	148
Woolen	2,407	1,897	2,462
Corks, cut	258	1,700	1,824
Emulsion, cod-liver oil	4,623	5,575	5,384
Fertilizers, chemical	7,194	9,694	3,139

Articles.	1905.	1906.	1907.
FOR THE PHILIPPINES—continued.			
Filberts	$922	$954	$1,431
Fish, canned	20	804	1,278
Fruits, canned	3,825	8,510	6,753
Glassware	3,307	10,300	9,891
Grapes, fresh	870	138	1,533
Haberdashery	.....	.....	1,051
Handkerchiefs, cotton	11,399	.....	25,005
Hemp cordage	804	10,087	7,839
Leather	3,816	22,690	12,217
Leather goods	.....	.....	2,702
Meats, canned	364	465	4,727
Medicines and drugs	4,185	5,092	6,019
Mineral water	794	908	2,479
Olive oil	1,402	5,417	8,385
Olives	1,499	3,014	1,829
Paint, in powder	.....	906	2,962
Paper:			
Cigarette	16,712	19,514	27,145
Wrapping	.....	.....	9,787
Writing	8,158	21,580	26,310
Pasteboard	517	4,684	1,258
Peas, chick	4,771	11,201	1,459
Perfumery	217	1,337	486
Pianos	1,176	6,250	5,996
Printed matter	6,503	8,294	9,679
Sandals, hemp	2,916	7,685	15,576
Sausages	3,756	12,710	12,898
Shoes, leather	66,186	57,580	77,277
Socks and stockings, cotton	23,153	13,488	24,036
Stationery	222	811	2,114
Towels, cotton	6,634	9,867	12,441
Turron (nougat)	4,512	7,744	3,516
Umbrellas, cotton	388	1,205	1,340
Undershirts, cotton	351,721	356,926	621,513
Vegetables, canned	2,285	12,423	38,739
Veils, silk	1,029	6,705	7,952
Vermicelli	1,721	3,338	3,225
White lead	294	1,992	1,154
Wines	11,321	20,907	10,747
Yarn, cotton	8,737	12,427	15,584
All other articles	45,240	54,246	29,938
Total	[a] 798,750	1,200,515	1,504,104
Grand total	1,520,554	2,094,092	2,323,606

[a] Last nine months of the year.

TRADE OF BARCELONA BY COUNTRIES.

The principal imports and exports into and from Barcelona, by leading countries, during the calendar year 1906 are shown in the following statement, the quantities being given in metric tons of 2,204.6 pounds:

Articles.	United States.	France.	United Kingdom.	Germany.	Italy.	Belgium.
IMPORTS.	*Tons.*	*Tons.*	*Tons.*	*Tons.*	*Tons.*	*Tons.*
Acids, acetates, etc	683	221	140	448	7	61
Animal fats, etc	563	413	965	226	22	314
Apparatus and machinery	521	194	3,060	829	310	169
Beverages and wines [a]	162	1,409	2,481	1,235	921	7
Breadstuffs	.....	243	23	39	10	.....
Ceramics	10	36	951	757	.....	903
Charcoal and fuel	.....	6,665	.....	.....	13,821	.....
Coal and coke	.....	.....	603,685	.....	.....	.....
Coal tar extracts	.....	24	15	256	.....	2
Colors, dyes, etc	96	1,144	513	1,438	662	384
Copper and alloys	5	311	107	80	61	34
Cotton and manufactures:						
Raw	60,389	108	501	22	124	429
Textiles, etc	.....	40	189	20	1	1
Yarn, etc	.....	12	85	2	1	.....

[a] Gallons.

Articles.	United States.	France.	United Kingdom.	Germany.	Italy.	Belgium.
IMPORTS—continued.						
	Tons.	*Tons.*	*Tons.*	*Tons.*	*Tons.*	*Tons.*
Electrical materials	4	62	2	1,550	45	1
Fertilizers, chemical	.....	61	1,243	2,429	16	1,846
Glass, etc	6	189	100	256	9	903
Hemp, flax, etc., and manufactures	24	172	1,113	38	3,721	625
Hides	67	62	74	94	2	17
Iron and steel, and manufactures:						
Rough	34	91	4,050	1,371	107	3,229
Hardware	57	194	250	1,057	31	163
Manufactured	58	274	671	1,894	21	34
Meats, game, etc	153	9	13	4	1	.....
Milk, soup pastes, etc	6	1,983	19	48	142	3
Mineral ores	11,335	10,357	.....	35	425	1,204
Mineral water [a]	.....	60,853	171	3,427	413	1,150
Musical instruments	14	10	6	16	1	1
Oil:						
Palm, etc	.....	176	35	12	1	57
Petroleum, etc	11,335	35	244	186	516	104
Other	.....	118	3	23	.....	7
Paper, etc	15	71	92	789	31	187
Pharmaceutical products	99	7,488	9,918	1,928	540	1,216
Stone and earths	17	21,432	1,018	2,291	5,447	172
Vegetables, etc	6	1,364	1	17	46	25
Wax, stearin, etc	1,243	11	127	102	1	123
Wood, and manufactures	516	22	276	121	11	19
Wool, and manufactures	.....	24	858	39	8	5
EXPORTS.						
Animal products	154	2,246	3,160	4,683	933	474
Chemical products	1,192	807	1,934	300	283	669
Copper and alloys	.....	275	94	205	361	210
Cork, cut [b]	39,798	9,868	4,407	2,964	19,420	1,673
Cotton tissues	65	180	341	58	262	21
Fruits	196	308	22	29	105	2
Hides, raw	.....	513	272	147	171	1
Iron and steel	1	10	20	18	854	16
Mineral water [a]	19,300	154,609	375	120	1,376	6
Oil: [a]						
Olive	4,118	17,268	575	134	1,151	.....
Other	.....	.....	3,062	.....	13	.....
Sandals, hemp [c]	20,391	37,400	2,370	4,255	266,272	300
Wine: [a]						
Common	7,106	1,069,812	21,030	5,482	94,299	7,661
Champagne, etc	3,941	22,794	70,039	15,934	17,696	1,390

[a] Gallons. [b] Thousands. [c] Dozens.

BILBAO AGENCY.

By CONSULAR AGENT LUIS KARAKADZE.

Exports from Bilbao to the United States increased considerably during 1907. This may be assigned jointly to the new commercial treaty between Spain and the United States and to temporarily reduced freight rates, resulting from competition between the steamship companies. As an example of this strong competition, one shipping agency accepts merchandise for the United States and stores it free of charge until a ship of its line is ready to embark it. Freights to New York have been cut down to 22 shillings ($5.35) per ton. The goods are shipped to Antwerp and there transshipped for the United States.

It is impossible at this time to get statistics from the custom-house as to imports from the United States, but I have every reason to think they increased during 1907. American commerce might, it is thought, be considerably aided if a parcels-post service existed. Spaniards are loath to buy in quantities from catalogues, but they would undoubtedly place many small orders for samples if these could be received by post.

ARTICLES IMPORTED—ELECTRICAL SUPPLIES.

The articles sold by European manufacturers and which I believe could be pushed by American manufacturers are hardware, oilcloth, novelties, shoes, machinery, sanitary goods, and especially electrical goods. During the year two new German firms in the electrical supply line have opened places on a large scale. Electrical supplies are used extensively here, as electricity is nearly the only power for lighting and manufacturing purposes.

Europeans are making great efforts to monopolize this market. They offer low prices, give liberal credit, have traveling men soliciting trade every day, and pay good commissions to agents. When a responsible person writes to German or French manufacturers for an agency and samples, these manufacturers are always glad to send them, paying freight and duties to Bilbao, and no charge for the sample until it is sold or some benefit has been gotten out of it. I have helped some young men here by giving them addresses in the United States, where they applied for agencies in different lines, but the reply invariably was, "Cash in bank at New York before even a sample leaves the factory."

In order to place American goods on this market our merchants must give more liberal credits, must send traveling representatives speaking the Spanish language, and print all literature and advertising matter in Spanish. They should also advertise here just as they do at home. A parcels-post service also appears essential.

Among the coming industries I may mention a company organized recently, with a capital of 1,000,000 pesetas (about $170,000), with the privilege of augmenting it to 6,000,000 pesetas, subscribed by people of Bilbao, under the name of La Union Quimica Española, for the manufacturing of superphosphates. Factories will be established throughout Spain.

DECLARED EXPORTS.

The following statement shows the exports declared at Bilbao for the United States, Porto Rico, and the Philippines during the calendar years 1905, 1906, and 1907:

Articles.	1905.	1906.	1907.
FOR THE UNITED STATES.			
Cider		$62	$1,733
Furniture	$685	379	246
Gentian root			738
Glycerin, crude	21,060	20,630	
Hemp shoes	549		
Hides, cured		666	51,583
Iron ore		35,389	16,115
Lentils	809	3,819	
Machines for making glass		210	
Mineral water			163
Oil, olive	313		438
Paper and stationery	98	61	373
Paprika			929
Peppers, canned red	47,118		
Preserves in cans	14,259	72,405	
Preserved fish			5,527
Preserved vegetables and fruits			120,497
Rails, steel (in transit to Mexico)	123,887		
Revolvers		699	2,277
Sardines		1,886	
Sausages		363	3,226
Shoes			
Skins, goat	7,987		

Articles.	1905.	1906.	1907.
FOR THE UNITED STATES—continued.			
Soap	.....	$386	.....
Walnuts	$1,276	.....	.....
Wines	2,058	8,215	$7,808
Wool, Spanish	27,954	80,166	94,482
Total	248,053	225,336	306,135
FOR PORTO RICO.			
Cider	.....	522	1,824
Combs	.....	2,329	188
Mineral water	.....	.....	1,077
Oil, olive	.....	.....	145
Paper and stationery	588	1,988	1,632
Peppers, canned	502	.....	.....
Preserved meats	.....	.....	3,654
Preserved vegetables, etc	2,429	9,202	5,972
Preserved fish	.....	.....	11,988
Sardines in oil	163	287	231
Sausages	.....	290	505
Sandals, hemp	.....	.....	1,527
Sundries	10,633	.....	.....
Wines	.....	8,217	19,285
Total	14,315	22,835	48,028
FOR THE PHILIPPINES.			
Beans	.....	.....	373
Cloth	.....	.....	227
Hardware	126	411	205
Paper and stationery	1,017	2,321	2,558
Preserved vegetables and fruits	5,612	8,673	6,841
Preserved meats	.....	.....	6,496
Preserved fish	.....	.....	3,509
Sausages	1,684	2,616	8,352
Shoes	355	562	.....
Wines	2,996	10,503	13,850
Total	11,789	25,086	42,411
Grand total	274,157	273,257	396,574

CORUNNA AGENCY.

By Consular Agent Enrique Fraga.

The imports of American lubricating oil decreased from 69,447 tons in 1906 to 13,657 tons in 1907. This decrease occurred also in imports from all other countries. The temporary cessation of the fish trawlers' industry is given as the cause of this decrease. There was also a decrease in the quantity of petroleum imported from the United States, due to the increasing use of acetylene gas and the electric light. All other imports from the United States are of small importance.

A striking feature of 1907 was the decreased importance of the fishing industry. Several years ago, when the sardine catch failed completely in France, the fishing industry became suddenly very prosperous at Corunna, and the field was quickly crowded with canning and exporting industries. The result was keen competition among purchasers of fish at prices that made satisfactory profits impossible. The crews of the trawlers felt the general influence of the situation and demanded higher wages. Strikes and other troubles followed, and the industry has failed rapidly.

Attention is called to the increased imports of chemical manures, 2,417 tons being imported in 1907, as against 666 tons in 1906. These imports came principally from England, Belgium, France, and Germany. Indian corn was also more largely imported than in any previous year. This product was formerly imported only from

Liverpool or Hamburg and was exclusively of American origin. In 1907, however, 1,447 tons were imported from the Argentine Republic.

EXPORTS OF ONIONS—TRADE WITH THE UNITED STATES.

Corunna is a considerable market for onions, and exports of this product increased largely during 1907. In connection with this matter it may be stated that a sort of onion trust was organized by the farmers themselves and successfully operated. It appears that they entered into an arrangement with the basket makers of the town, and with the help of certain other workingmen's societies succeeded in imposing the prices they pleased, and sold only to one merchant. Several farmers who were out of the trust tried to sell their onions separately and at lower prices, but were unable to do so, as the working societies boycotted any purchaser of onions from any of these outside farmers, and refused positively to buy from them. As a consequence, the outside farmers were compelled to sell to the merchants representing the trust.

House building was almost completely stopped during 1907. Imports of timber from the United States, however, were 46,282 cubic feet, against 31,252 cubic feet in 1906. Swedish timber lost largely in 1907.

The total exports from Corunna for 1907 can be obtained only in pounds, gallons, etc., which prove of little value. The declared exports to the United States were in value only $3,927, as compared with $5,653 in the preceding year. The principal item was musical instruments of the value of $2,038. The exports to Porto Rico were $21,085 in value, of which onions valued at $11,555 was the chief item. To the Philippines $2,411 worth was exported.

PALMA DE MALLORCA AGENCY.

By Consular Agent Lorenzo Roses y Siragusa.

The following is the value of the exports declared at Palma de Mallorca during the calendar year 1907 (the agency being established only in the early part of that year) for the United States, Porto Rico, and the Philippines:

Articles.	Value.	Articles.	Value.
FOR THE UNITED STATES.		FOR PORTO RICO.	
Almonds	$1,519	Almonds	$1,127
Almond candy	160	Apricot pulp	3,927
Almond oil	414	Capers	2,359
Arsenic-cured hides	1,505	Fruits, canned	516
Capers	1,455	Jackasses, for breeding	3,112
Canned vegetables	2,141	Peppers, ground	523
Canned fruits in sirup	1,746	Paper (cigarette)	185
Canned fruits in juice	1,219	Purses (silver)	722
Demijohns	2,991	Turron (Spanish nougat)	2,001
Garlic	20,120	All other articles	727
Handkerchiefs	780	Total	15,198
Hemp sandals	6,247		
Olive oil	820	FOR THE PHILIPPINES.	
Onions	3,148	Canned fruits in sirup	351
Quince jam	1,184	Canned fruits in juice	319
Shoes, leather	20,310	Canned vegetables	117
Spanish nougat (Turron)	8,583	Crystallized fruits	123
Sausages	1,149	Shoes	10,436
Tanned hides	6,288	Spanish nougat	1,370
Wrapping paper	999	All other articles	484
Woven cotton cloth (drills)	11,740	Total	13,200
All other articles	3,445		
Total	107,022	Grand total	135,420

SAN FELIU DE GUIXOLS AGENCY.

By Consular Agent Francis Esteva.

No change has been made in the regulations and port charges at this roadstead, and no American vessels or American seamen called here during 1907. No imports from the United States were received. Those from other countries were as follows: Coal from England; chloride of lime from France; corkwood from Algeria and Portugal; lumber from Austria and Russia; oxalic salt from France; charcoal from Corsica; ivory nuts from Ecuador; paper pulp from Norway. No manufactured goods are imported into this district, those used here come from Barcelona houses.

The manufacture of corks is going through a certain development, owing to the fact that a more ready sale is found for those cut by machinery than by hand. Exports of corks to the United States increased considerably owing to the growing use of a class known as "disks." These are only one-eighth of an inch thick, and successfully supplant those of larger size for cheap bottling. There has been an increase also in the exportation to the United States of cork shavings and cork waste, because of their growing use in the manufacture of linoleum, fruit packing, and cold-storage and machinery insulation.

The fishing industry here consists of the packing of anchovies caught in these waters. The fish are salted and shipped to Italy; the exports are small.

The exports declared for the United States were in 1907 in value $2,029,141, as compared with $1,430,429 in 1906. Corks and corkwood in one form or another made up the total of the exports. The exports to Porto Rico were $20 in value, and to the Philippines $4,192, all in corks.

SANTANDER AGENCY.

By Consular Agent Faustino Odriozola.

Articles imported into Santander in 1907 included English coal; Swedish timber; dried peas from Mexico; petroleum, cocoa, coffee, tobacco; dried fish from Norway; fertilizers through Hamburg and Antwerp; machinery from Germany, Belgium, and Liverpool, and sundry manufactured articles from Germany and France. Competition in lumber is very keen just now among importers, and a reduction of as much as 40 per cent in price has greatly stimulated sales. A Swedish concern has acquired a large site on the water's edge in order to build works and warehouses to develop the business.

High prices have ruled for cocoa, and imports are diminishing. The last monthly cargo consisted of 800 bags, against an average of 4,000 bags. Coffee is imported by retailers for immediate distribution to consumers, so that it does not have much local importance. The development of consumption and the establishment of industries for the exportation of fruit and sweets are affected by the high prices of sugar.

The importation of fertilizers is getting to be rather important, as people in the country are now alive to the advantage of its use. Direct importation of nitrate cargoes might result profitably. Indian corn is imported in moderate lots from the markets of the north of Europe, besides a casual cargo from the Danube. Two petroleum

refineries are established here and they provide themselves with crude oil from Philadelphia. About 10,000 tons a year are quite sufficient to meet the demand.

A good many articles are imported from ports in the north of Europe, and American labels can be frequently seen on agricultural implements, pumps, drugs, medicines, stationery, and other goods, though on a small scale, a fact which explains that no direct importation is made. It is true that there are no facilities to get small lots from the United States, or to pay for them, as banking facilities and credits are lacking.

EXPORTS—DEPRESSED BUSINESS CONDITIONS.

The main exportation from this district consists in iron ore, of which nearly 2,000,000 tons were shipped in 1907 to English and German ports. About one-half of this quantity is put on board from drops in the inner part of the bay, and the rest from Castro Urdiales and drops on the coast. Traffic in other goods is much reduced and exports will not exceed 20,000 tons in the year, including fish preserves, unwashed wool, cider, and wine.

It is believed that owing to the exhaustive system of fishing for sardines, the yield of the fishing ground near this coast is becoming very small, so that some of the firms engaged in the industry are closing their works for want of material, and exports of sardines and other canned fish are reduced. A few lots of unwashed wool are sent to the United States, the exporters getting it in small quantities in the markets of the nearest provinces. This business has a tendency to develop, though its importance will not be very great through scarce offerings.

The outlook for the year 1908 is gloomy, as mining, the principal industry of the district, is in a bad plight, prices of iron ore having fallen heavily, and several mines will have to give up working should prices continue lowering.

There is talk of constructing a new railway line from Santander to Burgos and even to Madrid. The natural resources of the country, industrial as well as commercial, are attractive, and a moderate influx of foreign capital, though handicapped by the actual universal crisis, is aiding industrial activity.

A Belgian firm is putting up a large factory at Torrelavega, a few miles from Santander, for the manufacture of sulphate of sodium, and another company is following with large works at Barcena de Pie de Concha for the production of chemical compounds.

TRADE WITH THE UNITED STATES.

Business between this place and the United States is small, exports being confined to small shipments of unwashed wool, cider, fish, preserves, hemp sandals, and wine. Imports are reduced to tobacco and some consignments of agricultural machinery and iron and other goods on a small scale. Farmers are alive to the convenience of providing themselves with the means for advanced culture, but most of them are short of funds, so that the sale of agricultural machinery and fertilizers is not so active as it should be. A few American concerns are repre ated in this country and make every effort to push trade. The al of di t tra ortation with the United States, as well is reducing trade. It is said that

a new connection is to be provided by a French line of steamers from Bordeaux to New York, calling at this port.

The following statement shows the value of the exports declared at Santander for the United States and colonies during the calendar years 1905, 1906, and 1907:

Articles.	1905.	1906.	1907.
FOR THE UNITED STATES.			
Cider	$774	$2,665	$3,797
Cotton goods			330
Garlic	562		
Gentian root	550	4,446	310
Hemp sandals		146	
Hogs			507
Medicinal flowers	183		
Nuts	1,658	37	1,825
Preserved fish			315
Preserved meat	1,668		
Sardines, canned		583	
Wine, claret	366	474	353
Wool, unwashed	9,523	24,976	32,942
All other articles	60		147
Total	15,344	33,327	40,526
FOR PORTO RICO.			
Cider	407	283	
Fish, canned	1,006	1,043	
Hogs (pork)	1,926		
Nuts	54		
Paper, writing	416		
Playing cards			144
Preserved fish			530
Sardines	5,395	3,716	1,670
Wine	125		
Total	9,329	5,042	2,344
FOR THE PHILIPPINES.			
Beans	50		
Cider	70	99	296
Cotton manufactures		283	
Paper:			
Printing	475	584	
Writing	460	433	
Peas, dried	360	3,148	1,889
Preserved fish		60	98
Sardines	5,947	6,238	11,289
Wine	100	405	
Total	7,462	11,250	13,572
Grand total	32,135	49,619	56,442

TARRAGONA AGENCY.

By Consular Agent Louis J. Agostini.

The spring rains, copious enough for an abundant crop of almonds and filberts, were insufficient for the vines and as a result of the long and completely dry summer the grapes grew small and shrunken, containing little juice, though rich in strength and sweetness. The later outpour of continuous, heavy rains, compelled the growers to get in the fruit at once before it rotted, and hence an abundant vintage, but deficient in strength and sweetness.

The olive crop compensated somewhat inasmuch as the rains that were late and prejudicial to the vineyards fell just in time to be of the greatest benefit to the growth and normal development of the olives. The results of the foregoing conditions were a very large crop of almonds and filberts and of olive oil. Wines, on the other hand, having turned out of low grades, while the foreign demand is due to

their normal strength, reaching in some instances as high as 18° by the centigrade alcoholmeter, consequently it was sold at extremely low figures, and much of it had to go to the still. In order to fulfill standing engagements, or contracts for new ones for wines of the normal standard, the Santander merchants are compelled to draw on their overstock of former years, or buy stronger wines produced in other districts to blend with the exceptionally low ones of their own.

The principal imports in 1907 were as follows: Coal, $301,780, from Great Britain; codfish, $197,650, from Scandinavia and Newfoundland; mineral phosphates, $265,490, from Germany, Belgium, and Holland; sulphate of copper, from Great Britain and Germany; black oak staves, from the United States; chestnut staves, from Italy; condensed milk, from Switzerland. Total value of imports, $1,173,480.

The exports from Tarragona in 1907 reached $4,453,620 in value, of which $510,095 went to the United States. Wines, filberts, olive oil, almonds, liqueurs, argols, and lead and lead ores, in the order named, made up the articles of export.

TRADE WITH THE UNITED STATES.

The exportation of these products and their collateral ones to the United States, which has been carried on by dealers in France ought now to return to its natural channel of direct connection between the Spanish producer and the American consumer. The unprecedented call during last year for certification of invoices (343), and also the demand for upward of 80 forms for food products, the latter in most cases representing sample or trial orders, attest to the increase of business from this district to the United States, and may be taken as a proof of the advantages resulting from the recently concluded Spanish-American commercial agreement, and as a guarantee for the future. The same can not be said with regard to importations from the United States, which must remain unaltered and stagnant until Americans realize the fact that innovations in every branch of industry or trade, if they are to be introduced at all into this country, must be brought home to Spaniards by intelligent travelers and the establishment of branch houses on the Peninsula.

The following statement shows the value of the exports declared at Tarragona for the United States during the calendar years 1905, 1906, and 1907:

Articles.	1905.	1906.	1907.
Almonds	$288,089	$265,786	$362,454
Carobs			54
Cement		87	
Filberts	2,000	67,234	40,400
Liqueurs	56,114	52,140	32,220
Oil:			
Edible olive	10,238	6,353	931
Olive (industrial)		2,206	
Pistachios			646
Rags	111		
Salt		1,978	
Sweetmeats			319
Walnuts			297
Wines	28,728	45,132	72,774
Total	385,880	440,916	510,095

VIGO AGENCY.

By CONSULAR AGENT ENRIQUE MULDER.

The imports of Vigo for 1907 were valued at $2,227,365, showing an increase of $320,845 as compared with the imports for 1906. The principal articles imported were machinery, $495,238, from England, France, and Germany; tin plates, $111,939, and tin in ingots, $176,084, from England; salted fish, $206,593, and cod roe for bait, $69,373, from Norway; horse corn, $184,201, from Argentine Republic; coffee, $38,435, and cacao, $31,680, from Brazil, Porto Rico, Venezuela, and Guayaquil; crude petroleum, $87,154, from the United States; timber, $26,748, from the United States, and $29,673 from Sweden; sulphate of copper, $68,899, from England.

From the foregoing it would appear that only petroleum and timber are imported from the United States, but certain articles, such as simple agricultural implements, edge tools, hardware, writing machines, etc., of American manufacture are in use here, which have been imported indirectly through England and Germany, and through other Spanish ports, owing to there being no direct communication between this port and the United States.

The exports of Vigo for 1907 were valued at $2,862,890, an increase of $686,872 as compared with 1906. This increase is chiefly due to the larger exportation of canned sardines in oil, of which the exports amounted to $2,570,000, $55,064 going to the United States, $15,588 to Porto Rico, and $111,466 to the Philippine Islands.

SARDINE INDUSTRY—MISCELLANEOUS FACTS.

The chief industry here is the packing of sardines in oil. There are now 100 factories established, which employ about 20,000 people, of whom 8,000 are men and 12,000 women. The wages of these people range from 80 cents to $1.60 per day for men, and from 25 to 35 cents per day for women. Besides the $111,939 worth of tin plate imported for these factories from England, at least an equal quantity of that article was brought from Bilbao, where a tin-plate factory is established. The machinery in use in the sardine factories was imported from France and Germany.

The fishing fleet consists of many hundreds of small row and sail boats, and 135 small fishing steamers from 60 to 80 feet in length. The hulls of the latter were all built of wood here, and the machinery and boilers were imported from England.

The only flour mill existent in this district milled some 6,000 tons of wheat, against 6,600 tons in 1906. The wheat was principally of Spanish production.

The port of Vigo was visited during 1907 by 1,345 steamers and 765 other vessels. Steamers of the principal trans-Atlantic lines call regularly at this port, the inducement being principally the steerage passenger traffic. The number of steerage passengers embarked in 1907 was 29,551 and of those landed 16,102, as compared with 23,292 and 10,860 in 1906.

DECLARED EXPORTS.

The following statement shows the value of the exports declared at Vigo for the United States, Porto Rico, and the Philippines during the calendar years 1905, 1906, and 1907.

Articles.	1905.	1906.	1907.
FOR THE UNITED STATES.			
Fish, canned	$298	$30	$366
Meats, canned	.....	.....	57
Mineral waters	266	840	10
Sardines:			
In brine	.....	2,950	457
In oil	36,588	14,538	56,065
All other articles	267	95	32
Total	37,419	18,453	56,987
FOR PORTO RICO.			
Cuttlefish, canned	1,928	2,754	3,618
Fish, canned	160	278	8
Hams, cured	62	89	178
Meats, canned	33	55	.....
Mineral waters	93	80	115
Onions, fresh	629	277	314
Provisions	.....	.....	147
Sardines in oil	9,850	11,052	11,558
Textiles	518	.....	.....
Wines	234	230	387
All other articles	12	183	47
Total	13,519	14,998	16,372
FOR THE PHILIPPINES.			
Fish, canned	.....	49	51
Hams cured	135	148	.....
Meats, canned	185	118	219
Sardines in oil	42,215	83,736	111,149
All other articles	251	927	47
Total	42,786	84,976	111,466
Grand total	93,724	118,427	184,825

JEREZ DE LA FRONTERA.

By Consul Hilary S. Brunot.

Trade conditions in the consular district of Jerez de la Frontera during the calendar year 1907 were decidedly good and the year ended with auspicious omens for a continuance of the present prosperity.

The wine production shows an increase over 1906, but this is due largely to new vineyards having come into bearing, for while the season was favorable for a good quality it was not particularly so for quantity. Local exports are confined almost solely to sherry wine and brandy. The principal articles of exports from Jerez de la Frontera to the United States during the past three calendar years were:

Articles.	1905.	1906.	1907.
Sherry wine	$395,515	$419,581	$467,267
Brandy	3,221	4,995	5,003
Spanish earth	894	788	235
Furniture	.....	413	271
All other articles	440	186	.....
Total	400,070	425,963	472,776

AMERICAN VINES—EXPERIMENT STATION—TOBACCO GROWING.

While the epidemic of phylloxera has passed the destruction wrought by it to the vineyards has not yet been fully repaired and consequently a large quantity of American vine roots are required each year for replanting.

The Spanish bureau of agriculture has decided, in view of complaints made by importers of American vines, that the charges exacted by the agricultural engineers (inspectors) in respect to importations passing the frontier were excessive; that individual importers shall hereafter pay only on the certificate on entry according to the tariff approved by a decree dated November 20, 1907, and that the State will defray the traveling and other expenses which the engineers may incur in going to and from the frontier in the discharge of their duties, this being a matter immediately concerning the International (Phylloxera) Convention of Berne in which Spain is an interested party. Inspection of imported vines is indispensable and must be carried out by competent technical experts.

The Spanish minister of agriculture has decided to establish an experiment station in this district where the problems incident to grape culture and wine making as well as other subjects pertaining to agriculture will be studied.

Since Spain lost her colonies the question of the tobacco supply has taken on a new phase. To meet the conditions and profit by them the farmers in several sections have experimented in the raising of tobacco, but claim that the taxes imposed on their product are prohibitive of financial success. They have demonstrated that a good quality of tobacco can be grown in Spain and are now making a strong effort to have the crude leaf relieved of taxation. A striking method of engaging favorable consideration of the members of the present Spanish Congress was when recently each representative was presented with a sample package of tobacco grown in Spain.

INCREASE IN IMPORTS OF AMERICAN ARTICLES.

The entries of merchandise imported into this district are usually made at the ports of Cadiz or Seville, though some goods find their way here by way of Madrid and Barcelona. Therefore no exact statistics relative to imports are obtainable; however, the increase of importations of American goods and products has been considerable. Among the most important were a large number of plows, several thrashing machines, and smaller numbers of other agricultural implements. American windmills continue to be popular. Two makes of typewriting machines are represented by an agent and many small American novelties have recently made their appearance in the stores. Sewing machines and gas and oil stoves and sanitary and bath-room fixtures are meeting with fair success, though it can not be said that the latter have yet become popular.

Within a year there were 90,000 bushels of American wheat received for grinding in the local mills. It is the custom to import the grain rather than flour, because a high value is set upon the by-products for stock feed. The opening for further imports of wheat seems favorable and very recently I have had an application from a merchant who wishes to purchase corn. I believe that a high grade of stock feed would find a ready market in this part of Spain.

In this country in the dry midsummer season when the pastures fail grain and mill feed are necessary. Horse and cattle raising is the principal industry of an extensive region of which Jerez de la Frontera is the center. Swine breeding is also an important item to be taken into consideration when dealing with the feed question.

PROPOSED RAILWAYS AND EXTENSIONS.

The published maps in both Spain and America designate a coast-line railway connecting Cadiz with Algeciras (Gibraltar) via Tarifa, but no such railroad is in existence, though the proposition has been discussed for many years. However, the subject has been revived and there are now prospects that a line will be constructed connecting these two important sections of the southern peninsula so long effectually separated by the formidable mountain range of which one of the great ridges ends with the famous rock of Gibraltar. The precise route the proposed line will follow has not yet been fully determined.

Another project is that of the construction of a railroad from Jerez de la Frontera to Arcos, the latter a town of some 16,000 inhabitants situated about 25 miles east of this city and 60 miles northeast of Cadiz. It is possible that this road may form a section of the line between Cadiz and Algeciras, with eastern extensions, though it would be less direct than the line by which it is proposed to follow the coast.

The tracks of the railroad between Cadiz and Seville are broader than the standard gage, so that a change of cars must be made at Seville, which is also the terminus of the line of the railway company of Andalusia, for which it is evident that new and better rolling stock must be purchased in the near future.

The city of Jerez de la Frontera, with its 65,000 inhabitants, continues without street cars of any description, as are the neighboring populous towns of Arcos, Puerto Santa Maria, and San Lucas. One reason for this is that the breeding of fine driving and saddle horses is one of the principal industries of the district. There is small prospect that local capital will soon attempt to improve the traffic condition for the above reason, and because the more wealthy citizens have their money invested in the wine trade or are too well satisfied with their present revenues to venture upon enterprises beyond their experience.

HARBOR IMPROVEMENTS—DISCOVERY OF GAS AND OIL.

The most important public work, of great interest to both importer and exporters of this consular district and of American exporters as well, is the enterprise of remodeling the port of Cadiz. The contract for these very extensive improvements has been let to an Italian firm and work has already begun. Besides the demolition of the antique and picturesque stone fortifications, etc., which has been carried on slowly for some years, there will now be built a number of very large piers and the approaches to them will be deepened so as to allow vessels of the largest size to moor directly alongside the piers, thus obviating the use of lighters, as heretofore, and greatly facilitating the handling of cargoes. The harbor itself will be deepened in certain needed places. When the piers and the approaches to them

are completed Cadiz will have the best port on the Spanish Atlantic coast, which means much, because it is the nearest seaport to America; nearest to the Spanish Canary Islands, and to the Spanish colonies in Africa. By its topographical and geographical position Cadiz was formerly the most important seaport of Spain and the present work has for its object the recovery of its former enviable standing. Cadiz will always be the natural port of shipment for the products of the vast and fertile region behind it as well as the most available seaport for vessels plying between Spain and North, South, and Central America.

For many years the existence of gas in wells in the vicinity of Villamartin, about 60 miles east of Jerez de la Frontera, has been known. Last March, in a well sunk for water, gas was found in considerable volume, the well being only 45 feet deep. Recently, by way of experimentation, this well was drilled to a depth of 230 feet, when gas was encountered giving a pressure of 80 pounds. The drilling was continued to a depth of 240 feet, when a gentle flow of oil was obtained. This work was done after the formation of a company, and under the direction of an expert, who is at present engaged in making a thorough study of this presumably oleiferous region. The oil thus far obtained is said to be rich in benzine and of light specific gravity. It is the intention to sink another well to a greater depth in the hope of finding the true oil-bearing stratum.

MADRID.

By Consul Richard M. Bartleman.

This consular district practically is entirely agricultural. The number of manufactories is so limited as not to warrant mention. Nor can it be said that there exists here, as in Andalusia and the Levant, large estates, as the district is composed of small ones principally, which accounts for the difficulty in selling agricultural machinery, the farmers finding it too expensive and the large proprietors being few.

The principal crop of the district is wheat. In the autumn of 1907 rain was so great that the land in many places was all under water, but in November the rain ceased sufficiently to allow the ground to be worked. Next in importance to the wheat crop is that of beet sugar. A modern factory for the production of this class of sugar has been located near Madrid. The beets largely come from the district around Toledo, Aranjuez, and Guadalajara. The next crop will probably be the largest yet produced.

In reporting the financial and monetary condition in Madrid, for Madrid is the center and in fact the only financial center in this district, one must first understand that here capital, instead of seeking investment in industrial enterprises, rather looks for State securities and the city real estate which, though yielding a small return, is yet safe and involves no risk. For this reason the stock market in Madrid, as distinct from Barcelona, Bilbao, Seville, and other centers, is principally confined to the buying and selling of public securities and the preferred shares of some few companies, such as the sugar and tobacco companies, and bank stocks.

The 4 per cent interior perpetual bonds of the State gained in 1907 nearly two points over 1906, and despite the strained monetary condition in other countries during the autumn it was little felt here, except as regards the international exchange market and the price of the exterior gold bonds which are listed solely on the Paris exchange.

This city not being a port of entry it is impossible to ascertain the value of importations. However, there has been an increase in the importations of American products and manufactures.

EXPORTS TO THE UNITED STATES.

The exports from Madrid to the United States during the past three years are shown in the following table:

Articles.	1905.	1906.	1907.
Books	$700	$1,433	$1,545
Glycerin, crude	2,291	4,883	2,311
Licorice root	67,814	50,395	46,475
Paintings, oil	20,416	11,044	13,018
Soap	16,687	25,750	21,370
Skins	.....	.....	20,461
Wine	.....	467	1,408
Wool	47,075	30,825	10,273
All other articles	18,447	10,612	3,760
Total	173,430	135,409	120,621

The value of exports from Madrid to Porto Rico was for 1905, $5,222; 1906, $10,607; and 1907, $16,432. The exports to the Philippine Islands for the same years were valued at $12,521, $93,753, and $123,338, respectively. The leading articles of export to both countries were books and wine, the value of the former being $6,523 and the latter $7,718 to Porto Rico, and $28,654 and $91,890, respectively, to the Philippines in 1907.

MALAGA.

By Consul Charles M. Caughy.

With the exception of the failure of the oil crop, which in good seasons is one of Malaga's most important exports, the year 1907 can not be classed as a bad one. The raisin production fell short of 1906, but the net profits were larger, owing to higher prices. The damage done in this district by the flood in September was, perhaps, a blessing in disguise to the raisin shippers, who realized good prices and made more money than on the larger crop in 1906, and besides saved about 30 per cent in expenses.

No values are given in the table of imports and exports furnished by the custom-house. So far as the United States is concerned, there are very few direct shipments on account of the lack of means of communication, so that the greater portion of the small quantity of imports from the United States is credited to the countries where the transshipments are made.

TRADE WITH OTHER COUNTRIES.

The imports and exports of Malaga from and to the principal countries, and also the total of all countries, for the year 1907 are shown in the following table, the quantities being given in kilos of 2.2 pounds:

Articles.	United States.	France.	United Kingdom.	Germany.	Belgium.	Total all countries.
IMPORTS.	*Kilos.*	*Kilos.*	*Kilos.*	*Kilos.*	*Kilos.*	*Kilos.*
Cement, etc.	.....	1,685,294	736,859	365,439	691,276	6,499,262
Chemical products	.....	151,023	552,169	36,313	96,026	852,855
Coal and coke	.....	14	48,484,567	4,031	241,951	49,439,760
Coffee	.....	14,576	19,988	39,984	94,751	1,169,419
Copper, tin, etc.	.....	26,520	7,020	7,165	43,357	95,566
Cotton, raw	756,929	109,284	992	.....	.....	1,117,205
Fish, cod	.....	78,628	397,574	.....	.....	3,465,480
Furniture	487	6,918	6,124	9,386	402	24,042
Iron and steel	5,424	84,084	734,118	86,027	526,624	1,558,890
Lard and hams	4,882	.....	90,613	2,136	.....	103,890
Lumber	3,672	15	43	189	97	17,232
Machinery	73,372	99,248	267,316	122,021	161,501	733,252
Paper	74	11,487	9,919	87,277	12,394	129,951
Potash, sulphate, etc.	.....	531,783	7,871,794	2,539,409	790,908	15,343,768
Staves	984,263	23,855	875,911	.....	.....	1,884,029
Tar, pitch, etc.	4,999	22,616	153,600	26,159	15,174	223,882
Wire	261	5,400	8,389	3,973	43,780	66,770
EXPORTS.						
Almonds	222,569	33,719	683,709	51,763	78,614	1,362,286
Figs	.....	13,100	88,990	8,950	3,300	198,728
Grapes	99,738	64,704	106,048	47,468	7,200	825,474
Lead	3,000,000	30,000	16,139,515	6,537,709	1,300,000	37,164,126
Lemons	.....	211,754	339,380	48,655	102,520	847,634
Minerals	196,850	558,295	22,650,255	917,609	196,159	93,805,975
Oil	.....	164,242	3,233	285	.....	1,083,981
Oranges	8,000	51,500	953,720	1,910	73,700	1,093,812
Orange peel	.....	700	.....	40,445	540	164,806
Oxide of zinc	.....	2,000	3,000	18,682	1,040	68,007
Raisins	71,213	1,298,037	1,857,893	500,467	304,159	6,890,745
Soapstone	123,650	62,975	159,955	22,000	1,990	576,960
Wine.....liters	57,261	2,818,924	1,279,470	1,257,113	851,344	10,455,552

EXPORTS TO THE UNITED STATES.

The declared exports from Malaga to the United States during the years 1905, 1906, and 1907 are shown in the following comparative statement:

Articles.	1905.	1906.	1907.
Almonds	$537,170	$500,690	$641,633
Brandy	1,244	2,436	2,444
Grapes	8,178	8,279	10,667
Hats, palm-leaf	61,342	62,854	52,702
Lead	3,049	19,597	285,788
Licorice root	.....	14,138	12,638
Oil, olive	200,692	4,368	265
Ore, iron	8,340	27,408	46,772
Pomegranates	2,975	10,852	15,051
Raisins	172,968	190,429	163,851
Talc	.....	772	4,000
Wine	8,411	6,847	13,451
All other articles	48,254	19,303	20,878
Total	1,052,623	867,973	1,270,140

The exports from Malaga to Porto Rico during 1905 amounted to $29,175; in 1906, $21,300; and in 1907, $29,587. The principal articles in 1907 were: Chick-peas, valued at $13,282; grapes, $6,647; raisins, $5,420; and hams, $1,145. During the same years the exports to the Philippine Islands amounted to $16,960, $24,621, and $18,648, respectively. The leading items were the same as those shipped to Porto Rico.

ALMERIA AGENCY.

By CONSULAR AGENT ALGAR E. CARLETON.

The custom-house returns regarding the trade of Almeria with foreign countries show but little difference over those of the year previous. As far as the white grape is concerned it was a banner year, as the total exportation reached nearly 2,500,000 barrels, an excess of 700,000 barrels over any previous crop. The prices, however, obtained in Great Britain and the United States were below the average, and in consequence the largest crop has produced the smallest net returns. In a close analysis of the grape question it would appear that there is no overproduction, but simply a short-sightedness in the methods of packing. Formerly each barrel of grapes contained 50 pounds net of fruit, but now the average is something like 40 pounds. It is estimated that the exportation could be reduced by 500,000 barrels in a crop of 2,000,000 if proper care were taken by all parties in the cutting and packing of the fruit. The chief growers and commission houses here are fully aware of this condition and are doing all they can to impress upon all the grape producers the absolute necessity of shipping good sound grapes and putting the maximum quantity in each barrel.

IRON-ORE SHIPMENTS—RAILWAY IMPROVEMENT—TRADE OF THE PORT.

The exportation of iron ore shows a large decrease. The financial difficulties in England and the United States are in part responsible for this diminution and the other reason is local. The South of Spain Railway through lack of rolling stock has never been able to meet the demands of the mining companies. This railway is now being electrified between Santa Fe and Gergal, a distance of 20 miles, in order to more fully meet the requirements of the iron-ore trade. The directors claim that this electrification will assure a movement of 6,000 tons daily.

The principal imports into Almeria during 1907 consisted of cement, 1,370 tons; coal and patent fuel, 40,966 tons; iron and steel, 526 tons; machinery, 263 tons; staves, 500,000 pieces; and timber, 232,590 cubic feet. The staves came from America.

The leading articles of export in 1907 were almonds, 8,986 boxes; calamine, 8,347 tons; esparto, 21,028 tons; grapes, 2,485,787 barrels; iron ore, 355,670 tons; copper, 933 tons; oranges, 3,897 boxes; and garnet ore, 8,404 tons. The shipments of grapes to the United States in 1907 amounted to 937,749 barrels, against 599,729 barrels in 1906. The shipments of iron ore to the United States in 1907 were 60,613 tons.

The number of vessels entering and clearing at the port during 1907 was 1,486 of 1,102,433 tons, as against 1,496 of 1,126,762 tons in the previous year. Of these vessels 1,090 carried the Spanish flag.

SEVILLE.

By CONSUL LOUIS J. ROSENBERG.

The Guadalquivir River is one of the principal sources of wealth for the city of Seville and much is done to preserve and improve it. Business in general during 1907 was fair and the crops were good, but the export trade of Seville as compared with 1906 suffered a

loss of 52,695 metric tons. The total amount of exports and imports during 1907 was 1,093,422 metric tons, consisting of 282,938 metric tons of imports and 810,483 metric tons of exports, an increase of 4,342 metric tons of imports over 1906 and a decrease in exports of 42,696 tons.

The total imports and exports into and from Seville during the past two years are shown in the following table:

Articles.	1906.	1907.	Articles.	1906.	1907.
IMPORTS.	*Tons.*	*Tons.*	EXPORTS.	*Tons.*	*Tons.*
Barley	5,499	1,121	Barley and oats	15,868	11,327
Beans, dried	3,209	2,529	Beans	9,980	4,050
Coal	95,858	101,828	Cork	12,164	13,185
Cement	12,839	11,671	Crockery	1,728	1,896
Codfish	2,109	1,704	Flour	2,886	2,222
Fertilizers	11,797	13,881	Lead, pig	46,539	52,914
Flour	7,745	2,315	Maize	2,144	676
Iron and steel	19,259	20,903	Olives	15,626	16,377
Lumber	15,890	24,538	Oil, olive	17,991	16,592
Machinery	2,327	2,549	Oranges	7,362	11,001
Petroleum	5,203	6,128	Ore:		
Potatoes	2,236	3,377	Iron	558,748	462,441
Rice	3,687	3,636	Other	127,313	175,824
Salt	1,406	1,668	Soaps	5,594	4,814
Soda	4,600	3,909	Wheat	9,231	5,422
Sugar	3,036	3,661	Wine	4,807	5,750
Textiles	6,511	6,229	Wool	1,300	1,290
Wheat	12,807	286	All other articles	23,919	24,103
All other articles	62,401	70,974	Total	863,180	810,484
Total	278,599	282,937			

TRADE WITH THE UNITED STATES.

The trade with the United States is constantly increasing, as shown by the official returns of both imports and exports. The value of the total exports to the United States and possessions in 1907 was $1,980,698, of which articles worth $1,862,221 went to the United States, $59,117 went to Porto Rico, and $59,360 went to the Philippine Islands. This was an increase of $94,107 in the shipments to the United States, a decrease of $25,288 to Porto Rico, and an increase of $8,043 to the Philippine Islands, compared with 1906. The total amount of imports from the United States in 1907 was 5,544,987 kilos (kilo = 2.2046 pounds), an increase of 31,983 kilos over the previous year.

The imports into Seville from the United States during 1906 and 1907 are shown in the following statement:

Articles.	1906.	1907.	Articles.	1906.	1907.
	Kilos.	*Kilos.*		*Kilos.*	*Kilos.*
Barrels		46,059	Lumber	1,223	26,638
Chemical products	1,488	4,252	Machinery	141,458	253,802
Cloth, all kinds		5 305	Oil, lubricating	251,638	360,410
Cordage and twine	10,896	6,515	Paper and stationery	124	231
Electrical supplies		2,810	Paraffin and wax	13,274	36,888
Fruit	127	297	Petroleum, crude	4,938,256	4,703,330
Furniture		1,685	Staves		33,109
Glass, common	120	1,175	Tar and pitch	4,380	12,326
Hams and bacon	52,827	25,642	Wood manufactures	7,243	934
Hardware		18,574			
Iron and steel manufactures	36,600	8,015			

The value of exports declared from Seville to the United States, Porto Rico, and the Philippine Islands, during the past three years, was as follows:

Articles.	1905.	1906.	1907.
UNITED STATES.			
Antiquities	$5,050	$4,314	$4,067
Corks, corkwood, etc	298,329	355,143	444,303
Household effects	240	.....	2,331
Licorice, paste and root	9,307	11,850	20,776
Olives	923,845	1,164,556	1,317,009
Olive oil	32,063	13,647	24,309
Ore, iron pyrites	.....	36,403	34,903
Skins, goat	61,257	32,510	.....
Wine	8,952	11,528	10,160
All other articles	104,780	138,163	4,363
Total	1,443,823	1,768,114	1,862,221
PORTO RICO.			
Chestnuts	125	464	93
Chick-peas	.....	260	996
Olives	2,495	5,357	5,931
Oil, olive	52,505	67,452	52,046
Orange-flower water	101	90	15
Soap	61	43	38
All other articles	.....	10,739	.....
Total	55,287	84,405	59,117
PHILIPPINE ISLANDS.			
Chick-peas	380	215	52
Corks	5,591	10,717	12,246
Hams	122	443	350
Olives	3,690	4,872	6,319
Oil, olive	12,786	33,239	38,813
Sausages	252	227	801
All other articles	.....	1,610	779
Total	22,819	51,323	59,360
Grand total	1,521,929	1,903,841	1,980,698

There are good prospects for extending American trade here in agricultural implements, hardware, pumps, and hydraulic machinery, if properly introduced by competent representatives speaking the Spanish language and who know the commercial conditions of the district.

The exports from the agency of Port St. Mary to the United States in 1907 consisted entirely of sherry wine and amounted to 3,047 butts (butt = 140 gallons), an increase of 580 butts over 1906.

CADIZ AGENCY.

By CONSULAR AGENT LUIS BENSUSAN.

The sale and exportation of salt is perhaps the principal business of Cadiz. The production in 1907 amounted to from 80,000 to 90,000 lasts (last = about 2.1 tons), and was less than the average annual output.

The contract has been awarded for the improvement of the harbor, the work to be completed within two years. As Cadiz is the nearest European seaport to the United States, the completion of the harbor will no doubt restore the city as a commercial center and will be the means of extending trade with the United States. Of great

advantage also for Cadiz will be the extension of the tramway to Chiclana, Tarifa, and Algeciras.

TRADE WITH THE UNITED STATES.

The imports into Cadiz from the United States during 1907 amounted in quantity to 10,098,559 kilos (kilo = 2.2 pounds), the articles being as follows:

Articles.	Quantity.	Articles.	Quantity.
	Kilos.		*Kilos.*
Agricultural implements	62,069	Provisions	3,824
Carriage accessories	12,121	Pumps	18,649
Forage	8,753	Scientific instruments	12,669
Iron	1,195	Staves	6,121,069
Machinery, electrical	12,337	Tobacco	3,839,580
Oil, lubricating	5,038		
Pasteboard	1,255	Total	10,098,580

The exports from Cadiz to the United States during 1907 amounted to 1,277,620 liters (liter = 1.0567 quarts) of wine, and 2,031,549 kilos of merchandise, as follows: Stone and earth, 7,966; hollow glass, 47,447; salt, 1,632,050· empty casks, 325,066; and chick-peas, 19,020.

HUELVA AGENCY.

By CONSULAR AGENT WILLIAM J. ALCOCK.

During the past year trade in this district continued to increase, owing to the larger development of the mining industry. Grain crops were sufficient for local consumption and there were no imports of cereals. The grape crop was good, but no special movement took place in the wine sales.

The principal imports continued to be of the same class of articles and about the same in quantities, but the imports of 4 engines and 640 tons of mining machinery from the United States was the special feature. The coal imports showed a decrease, owing to the purchase of 16,000 tons of Spanish coal, which was brought from the mines at Asturias.

The shipments of iron pyrites increased from 1,023,279 tons in 1906 to 1,311,838 tons in 1907. England took 128,626 tons as against 14,600 tons in 1906. The exportation of essential oils showed a large increase, but the production has now ceased, owing to the removal of the business, plant, etc., to Malaga.

The port pier is still in course of construction, but the engineers state that it will be completed and opened for traffic in September, 1908. This will be a great boon to shippers, as under the improved accommodation the loading of vessels will be much facilitated.

COMMERCE OF THE PORT.

The principal imports into Huelva during 1907 were, in tons, as follows: Coal, 95,399; coke, 14,137; phosphate, mineral, etc., 17,210; wheat, 18,890, and cement, 5,083.

Of the imports the United States furnished the following articles, the quantities being in tons: Coffee, 2; iron tubes, machinery, etc., 776; mineral oils, 42; staves, 67, and timber, 6,836.

The principal exports during 1907 were as follows: Pyrites, 2,346,094 tons; manganese, 63,904 tons; copper ingots, 9,473 tons; white wine, 408,648 gallons.

The exports to the United States during 1907 consisted of the following articles: Copper ingots, 1,131 tons; pyrites, 485,839 tons; essential oils, 4,630 pounds; precipitate of copper, 222 tons; skins, 3 tons, and white wine, 3,632 gallons.

The number of vessels entered at the port during 1907 was 1,326, of which 1,303 were steamers and 23 sailing ships. The total tonnage was 1,453,867. The number of vessels cleared was 1,297 of 1,413,072 tons.

VALENCIA.

By Consul Charles S. Winans.

The severe crisis still affecting the principal sources of agricultural wealth in this district, orange and wine growing, is reflected in the shrinkage of imports of fertilizers, agricultural machinery, fine porcelain ware, butter and cheese, canned foods, lamps, high-class wool and cotton goods, and nearly all the minor household luxuries of modern life.

In all ordinary lines of metal and textile goods home industries have so progressed that they now suffice for the requirements of the district.

Imports from the United States show appreciable expansion in barrels and casks, dye extracts, leather, locks and hinges, lubricants, pumps, paraffin wax, staves, and sausage cases, while agricultural machinery, electric motors and generators, glue, gelatin, and petroleum have materially declined.

The remarkable falling off in petroleum imports is largely due to the great development of electricity generated by water power, as it is rapidly supplanting every other source of public and private lighting in this region, with the prospect of being universally employed in the near future for traction and industrial power.

The record of imports from the United States is necessarily imperfect, because many of the most characteristic products of American industry, such as typewriters, watches, phonographs, household and mechanics' tools, freezers, rubber goods, surgical and scientific instruments, and several lines of small hardware, all moderately in evidence here, rarely come direct from American ports to Valencia, but are received from general European agencies or from Barcelona, and consequently either do not figure at all on the custom-house statistics at this port, or are recorded as coming from Great Britain, Germany, or France, according to the location of the distributing agency from which the goods are supplied.

AMERICAN TRADE MIGHT BE INCREASED.

Speaking generally, no sustained effort has yet been made by American manufacturers and exporters to engage in the competitive struggle for trade in this section of Spain. They decline to concede the long credit terms usually demanded and consider them too risky,

especially in business conducted, as the American direct trade is worked here, mostly by correspondence alone. Other great manufacturing and exporting countries are represented by numerous resident national merchants, but there are no Americans here in the import trade. On the other hand, experience proves that it is not always easy to find capable local agents possessing influence and capital to whom open credits could, in case of need, be safely granted, for the local importers of high standing and financial strength trade only in particular lines of wholesale raw materials, such as lumber, coal, fertilizers, petroleum, hides, etc.

Nearly all manufactured products imported direct from the United States to Valencia have to be paid for in cash with order or against shipping documents, unless the purchaser is backed by a responsible bank. Naturally only a limited trade can be secured on these safe terms and by correspondence, when competitors offering credit facilities push their wares personally through the medium of travelers and agents making periodic calls on purchasers.

COMMERCIAL ENTERPRISES NOT INVITING TO CAPITALISTS.

The difficulty encountered here by importers is that capital, derived principally from agriculture, rents, and real estate, has an abiding dread of investments in trade and commerce or industrial enterprises. The Valencia branch of the Bank of Spain is said to have held during the past year deposits amounting to $7,000,000 lying idle and unproductive in their safes, but which the owners would not think of investing in anything less secure than Government bonds or loans covered by solid guarantees.

Among general imports showing increased volume are tramway rails, wrought-iron tubing, gas and electric motors, batteries and accumulators, kitchen batteries and general ware, cardboard, locks, hinges and bolts, clocks, dyes, bathroom and toilet supplies, linoleums and oil cloths, tools, iron and steel hoops, polished sheets, and paints and varnishes.

With regard to exports, the values represent the average cost of fruit during the last three seasons, allowing a modest profit for grower and packer. As oranges and onions are mostly shipped on consignment to be sold for the account of the exporter, the actual results of sales for the present season, which is exceptionally unfavorable, fall far short of the figures quoted in this report, and will probably show a deficit of over $3,000,000 on estimated values.

The most important railway projected in the district for construction in the near future is one of normal gage to connect Valencia with Alicante, following the coast line, with through connection with the Valencia-Barcelona-France line and Teruel-Calatayud-Zaragoza railway. This line, which is to receive a Government subsidy, would contribute greatly to cheapen and facilitate the transportation of the fruit, wine, rice, peanuts, onions, etc., produced in such abundance in this the richest belt of land in all Spain and one of the best cultivated in the world.

The old established industries of Valencia, pottery with metallic luster, fancy colored tiles and mosaics—both of classic and modern artistic design—fans, guitars, alpargatas (hempen shoes and sandals),

cigarette paper, and artistic lithography and silks, enjoy a world-wide reputation, while the recently established factories for the production of fine porcelain, fertilizers, tramway and railway cars, and toys turn out excellent work.

TRADE WITH THE UNITED STATES IN DETAIL.

The imports into Valencia from the United States, Philippine Islands, and Porto Rico during 1906 and 1907 are herewith given:

Articles.	1906.	1907.	Articles.	1906.	1907.
UNITED STATES.	*Pounds.*	*Pounds.*	UNITED STATES—cont'd.	*Pounds.*	*Pounds.*
Barrels and casks	.....	20,970	Oil:		
Chemical products	15,244	15,481	Petroleum	1,826,200	1,169,000
Dye extracts	4,760	160,580	Other	1,830	80,000
Glue	.....	247,500	Staves	854,200	1,992,450
Hams and bacon	2,190	2,170	Wax, paraffin	127,000	410,620
Iron and steel manufactures:			Wood, manufactured	4,377	6,600
Engines, steam	7,090	5,740	PHILIPPINE ISLANDS.		
Locomotives	75,800	.....	Drugs, etc	.....	48,000
Machinery, agricultural	94,490	2,380	Copra	7,490,000	.....
Motors, turbines	2,740	5,828	Jute	.....	2,480
Wire, steel	61,320	48,120	PORTO RICO.		
Leather, etc	370	20,700	Coffee	260,890	266,380
Lumber, planks[a]	19,500	20,200			

[a] Cubic feet.

The exports declared from the Valencia consular district to the United States during the past two years were as follows:

Articles.	1905.	1906.	1907.
Almonds	$194,754	$325,925	$309,899
Apricot pulp	318	8,038	3,733
Glycerin	.....	4,318	11,234
Intestines	2,580	3,377	16,441
Licorice root	23,142	26,133	21,490
Onions	66,505	86,496	174,835
Ore, iron	133,095	153,860	451,806
Pepper, ground	19,787	22,374	23,228
Peppers, preserved	1,403	899	36,430
Peanuts	45,984	95,274	249,514
Raisins	75,371	50,668	205,152
Saffron	5,385	4,800	4,920
Wine	757	.....	5,031
All other articles	132,929	28,324	14,876
Total	702,010	810,486	1,528,589

The declared value of the exports from the Valencia consular district to Porto Rico and the Philippine Islands during the years 1905, 1906, and 1907, was $46,045, $40,756, and $46,788; and $40,071, $23,320, and $5,782, respectively. The leading items shipped to Porto Rico consisted of garlic, worth $16,229; wrapping paper, $6,547; ground pepper, $7,515; peanut oil, $3,725; and playing cards, $3,375. The principal exports to the Philippine Islands during the same period were wine, valued at $1,364; ground pepper, $1,364; tiles, $642; and rice, $528. The decrease in exports to the Philippine Islands was due principally to the falling off in the shipments of wine, which amounted to $35,722 in 1905, $23,320 in 1906, and $1,364 in 1907.

CANARY ISLANDS.

TENERIFFE.

By Consul Solomon Berliner.

Taken as a whole, the amount of business done in the Canary Islands in 1907 in comparison with 1906 shows a decrease, which can be attributed to the plague rumor during the first quarter of January, 1907, and also to the financial crisis during the latter part of the year, which caused money to be scarce.

It is impossible to procure detailed statistics of the imports or exports in the Canary Islands, as they are not issued by the authorities. The only way to obtain the imports at Teneriffe is by copying the manifests on file in the custom-house, but in these weights and measures only are given and no values. The Canary Islands are free ports, and only certain articles pay a duty, namely, sugar, coffee, cocoa, liquors, alcohol, and leaf and manufactured tobacco, and as these pay according to weight and measure no values are required to be given in entering or withdrawing them from bond. As these manifests do not give the ports of origin of the merchandise imported, it is credited to the nation from whence the vessel that brings the goods proceeds. Many of these articles are partly and some wholly of American origin, namely, flour, lard, hams, canned goods, hardware, cotton textiles, and leaf and manufactured tobacco. The same can be said of the articles credited to Belgium; they have nearly all their origin in Germany, with the exception of cement. They come via the port of Antwerp, which is to a great extent the port of shipment for southern Germany on account of the saving in freights on railroads and steamers.

The Canary Islands receive a large quantity of wheat, maize, dried vegetables (beans, chick-peas, etc.) from Morocco, but during 1907 the amount fell off, on account of the unsettled conditions in that country. In comparing the imports at Teneriffe for 1907 with those of 1906, they show a general decrease in all articles except coal, sugar, and coffee; the increase in coal is on account of the larger number of steamers calling for bunkers.

ESTABLISHMENT OF STEAMSHIP LINE—VALUE OF IMPORTS.

A direct line of steamers from the United States to the west coast of Africa, touching outward and homeward at the Canaries, is greatly needed, and if established it would no doubt be a success. There would be certainly a large increase in the imports and exports to and from the United States; the line would also do a good passenger business, as these islands are well known as health resorts.

From information gathered, I would put the total imports into the Canary Islands for 1907 at about $8,500,000. Of this amount coal represented about $4,000,000, which was reexported, and the wood for packing of the fruit, which was also reexported, amounted to about $700,000. Of American goods that came direct and those that arrived otherwise and were not classified as American merchandise, the value was from $500,000 to $600,000. Among certain articles of American origin for the first time imported here was a 24-horsepower automobile, also a small printing press. I am informed by the owner of the

automobile that it gives good satisfaction and arrived without the least breakage. This has already led to several inquiries at the consulate for automobiles, and no doubt in the near future more will be imported.

The people here are anxious to work up a connection with the exporters in the United States, as the mark "Made in the United States" is accepted usually as indicating a superior article. A great drawback is that American shippers usually demand cash against shipping documents or drafts on London, Paris, or other cities against bankers' credit, while the European merchant generally gives from three to six months' credit, according to the class of merchandise. Other drawbacks at present are the freight charges, expenses, and also the delay occasioned before the arrival, as all goods imported into the Canary Islands from the United States, except those brought over in sailing vessels (lumber and petroleum) have to be rehandled either in England, Germany, or Spain. This naturally means much extra expense, which would be obviated if direct communication were established.

SHARE OF UNITED STATES IN THE PURCHASES.

The principal business done in the Canary Islands is the bunkering of steamers. All the coal imported comes from Wales and England, the receipts during 1907 amounting to 666,960 tons, an increase of 71,533 tons over 1906. The import of wood is next in importance, as the principal export of the islands is fruit, which has to be crated before being shipped. The wood used for crating the fruit comes from Norway, and recently the Norwegian Government subsidized a line of steamers to bring the wood here. On their return trip these steamers take fruit to England. All the hard-pine lumber used for building purposes comes from the United States; the white pine from Canada.

All the petroleum imported into the islands comes from the United States and is brought over in sailing vessels. The amount received at Teneriffe and Grand Canary in 1907 was 25,000 and 69,244 cases of 10 gallons each, respectively. Most of the petroleum is reshipped to the west coast of Africa.

All the cash registers used in the islands are of American make and the sales of these machines have been large, and it is estimated that several hundred are in use. Typewriters are in general use and all business houses of any importance have one or more; also many private persons are doing all their correspondence with these machines. Many different makes are represented and the sale of the machines is increasing. All of them are of American origin.

The value of lard and hams imported at Teneriffe during 1907 amounted to over $125,000, the increase being small over that of the previous year. It is estimated that the total importation into the islands of these articles will amount to over $250,000. All were of American origin, although not appearing as such in the statistics. Fully 80 per cent of the flour used here is of American origin, and comes via England. Small shipments come occasionally from France and Argentina, but they do not constitute over 2 per cent of the total imports. American hardware has come to stay and every year new articles in this line are imported. Over one-half of the hardware and tools imported are of American make, and the importation will continue to increase every year, as they give the best of satisfaction.

Nearly all the leaf tobacco that is imported into the islands is grown in Kentucky and Virginia and comes here via Hamburg and Liverpool; there is a little that comes from Cuba, but the amount is insignificant. Cuba furnishes cigars, cigarettes, and picadura (tobacco for making cigarettes), which is consumed here. There is also a large quantity of plug tobacco imported from the United States, but this is sold to the ships calling here, little being consumed in the islands. The same can be said of the smoking tobacco and cigarettes of English make that are imported.

IMPORTS AND EXPORTS.

The principal articles of import, by quantities, into the Canary Islands from all countries during 1907, are shown in the following statement:

Articles.	Quantity.	Articles.	Quantity.
	Tons.		*Tons.*
Breadstuffs	15,263	Paper	933
Canned goods	133	Soap	799
Cement	4,362	Spirits, wine, and malt liquors	[b] 1,517,740
Coal	279,538	Sugar	1,380
Fertilizers	4,919	Sulphur	354
Fruits	731	Textiles:	
Hardware	1,112	Cotton	879
Iron and steel	1,919	Woolen	95
Oil:		Tobacco	203
Petroleum	[a] 250,000	Vegetables, dried	2,877
Other	[b] 419,723	Wood	10,029

[a] Gallons. [b] Liters (liter=1.0567 quarts).

There are no statistics kept by the customs authorities of the exports, and these attached hereto have been procured by me from different shipping houses and from records kept by several merchants for their own information. The total value of the exports of the Canary Islands, including coal, is computed at $9,500,000. The principal exports are bananas, tomatoes, potatoes, onions, cochineal, wine, almonds, drawn work, and onion seed.

The declared exports at Teneriffe for the United States and Porto Rico for 1907 was $1,000,197, showing a decrease of $38,241 to the United States and an increase of $3,108 to Porto Rico, compared with those of 1906. England takes 90 per cent of the bananas, tomatoes, and potatoes, while Cuba, Porto Rico, and the West Indies take all the onions.

The exports of fruits and vegetables from the Canary Islands to Europe during 1907 were as follows: Bananas worth $2,774,666; tomatoes, $1,447,267; potatoes, $513,509; and oranges, etc., $13,294, making a total of $4,748,736.

The declared exports from the islands to the United States during the past three years were as follows:

Articles.	1905.	1906.	1907.
Almonds	$3,384	$14,495	$3,298
Cochineal	19,019	51,411	35,633
Drawn work	71,899	84,407	53,177
Onion seed	46,612	14,729	20,931
Other articles	531	490	4
Total	141,445	165,532	113,043

The value of the exports to Porto Rico in 1907 was $22,653, against $24,218 in 1906. The leading items were: Onions worth $10,411, and potatoes $7,607 in 1907, and $18,730 and $4,668, respectively, in 1906.

There was an increase in the export of vegetables and fruit in 1907 over that of 1906 as follows: Tomatoes, 274,367 packages; potatoes, 156,332 boxes; and oranges, etc., 4,984 boxes. Banana shipments, when compared with those of 1906, show a decrease of 144,496 crates, but in number of bunches there was an increase, as the packages that are shipped now generally contain two bunches to the crate, the shippers thereby saving freight and also effecting a great saving in packing and wood in putting the crates together. The Jamaica bananas have not driven out the Canary fruit from the English market, as was predicted, although they have reduced the prices obtained. The demand for this fruit continues to increase, and more land is brought under cultivation for bananas every year. The export of fruit to Germany has increased and it is estimated that about 10 per cent goes to that country. France, Spain, and Italy take a very small quantity of fruit from the islands, not more than 1 per cent of the total exported.

ONION-SEED SHIPMENTS TO UNITED STATES—DRAWN WORK.

Fully 80 per cent of the onion seed grown in Teneriffe is exported to the United States. The onion grown in Texas from Canary Island seed is in every way as good as the Bermuda onion, and at the same time can be placed at a lower price on the market. The growing of onion seed will always continue, as it must be fresh grown. Seed one year old deteriorates and not more than 20 per cent generally will germinate. There was an increase in the declared exports of onion seed to the United States of 1907 over those of 1906 of $6,202 in value.

The drawn-work industry has had a setback on account of Japanese competition. The low prices paid for labor in that country make it nearly an impossibility for the manufacturer here to compete. Some have opened factories in Japan in connection with those here. Only the cheap and small work is now made in Japan to advantage, and the better and finer work may continue to be manufactured in Teneriffe. Then again this trade has suffered owing to the exigencies of fashion, which continually changes, but although suffering at present under these disadvantages drawn work will never entirely go out of style, and its popularity may revive again in the near future. There was a decrease in the declared exports of this article to the United States for 1907 of $31,230 from that of 1906.

There is still a large quantity of cochineal exported, but it is nothing like that in former years, when it constituted the principal export of the Canary Islands. The discovery of the aniline dyes ruined the industry. There was a decrease in the declared exports of cochineal to the United States for 1907 of $15,738 as compared with 1906.

The crop of almonds of 1907 was short and the prices prevailing higher than those of former years, the declared exports to the United States showing a falling off of $11,197 in 1907 as compared with 1906.

NEW ENTERPRISES—COST OF LIVING ADVANCED.

The work on the mole and breakwater during the year made remarkable progress, nearly 300 feet being added to the part available

for berthing of vessels, and vessels of 2,000 tons can lay alongside the mole now. The construction and building of houses is continually going on, and it was estimated that the population of Santa Cruz de Teneriffe was 46,000 on December 31, 1907.

The cost of living in the past two years increased 15 per cent. New provincial taxes have been placed on necessaries of life, and also the former duties (octroi tax) have been raised. These are levied by the municipality according to increase of population in each town.

During 1907 there were several strikes and in every case the workmen gained the increase demanded. Labor is not as plentiful as formerly, as the emigration to Cuba is large, and the field work is nearly all done by women, whose wages have also increased 25 per cent. It is estimated that there are 30 per cent more women than men in these islands.

On account of the increase in the cost of living in the Canary Islands, the Spanish Government pays all the civil officials 50 per cent, and the military officials 30 per cent, more salary than while serving in Spain, in the same official grade.

PORTUGAL.

INTRODUCTION.

Consular reports on the trade of Portugal and its dominions of Madeira and Azores for 1907 show that Portugal was in a fairly prosperous condition in that year. Its wealth is increasing from various causes, one source being the number of persons returning from Portuguese colonies and from Brazil, where they have acquired wealth, for the purpose of residing in Lisbon.

The duties in Portugal are levied on gross weights, which makes it somewhat difficult to give the values of imports and exports. The system of recording and classifying imports and exports is according to ports of shipment. In that way it appears the exports from Portugal to the United States reach in value only about $500,000 annually. But the imports statistics of the United States show that the value of the imports from Portugal in 1908 was $5,025,214, as compared with $6,755,924 in 1907. Portugal credits the United States with $3,500,000 worth of imported goods, although the exports from the United States to Portugal were $3,761,754 in 1908, as compared with $3,735,226 in 1907. The lack of direct steamship communication interferes with the rapid development of the trade with the United States. Consul-General Aymé says that Portugal imports $30,000,000 more than she exports, which shows the value of the market. The tariff duties are high, but the United States stands on an equality with other nations in that respect. The consul-general says that 1,000 automobiles are used in Lisbon, not one of which came from the United States. The uncertain rainfall in Portugal empha-

sizes the great need of irrigation, which, when successfully carried out, would greatly enrich the country. As an illustration of the imports, 8,696 metric tons of chemical manures were imported in 1907, as compared with 2,468 metric tons in 1906; but the United States did not supply any part of that importation.

A government decree defining port wine and regulating the trade therein has fixed the district from which such wine is derived so as to include all the wine that can have any pretensions to be called port. No firm may export, under penalty of heavy fines, more wine than stands to the credit of their account. Another decree prohibited for the term of three years the planting of vines in the principal river basins of the country, with the object of restricting its production. The effect of these decrees had not been very marked, according to the last reports. There was a falling off in the shipments of Oporto, attributed to the general slackness of trade.

REVIEW OF TRADE CONDITIONS OF PORTUGAL.

By Consul-General Louis H. Aymé, Lisbon.

Portugal is an agricultural and not a manufacturing country. The total area of the country is 22,145,496 acres, of which only 51 per cent is cultivable. The richest and most productive part of the country is in the north, where 70 per cent of the land is fit for agriculture. South of the river Tagus 57 per cent is waste land, and in the Algarbe, at the far south, the percentage of waste land rises to 63 per cent. The bulk of the population is concentrated in the northern districts. The percentage of illiteracy in Portugal is very high, and the Portuguese are an extremely conservative people. Every man follows rigidly the methods employed by his father and his forefathers. In very many parts of the country the old wooden plows are still used. When a man dies, instead of one of the heirs taking the whole property and paying the remaining heirs for their parts, the whole property is divided into as many parts as there are heirs. More than this, each separate part of the property is thus divided. Thus, if a property consisted of 10 acres of pasture land, 80 of vineyard, and 10 of grain land, and there were 10 heirs, each heir would receive 1 acre each of grain and pasture land and 8 acres of vineyard. This process has been going on for a very long time, so that now in the most fertile part of Portugal the land is divided into incredibly small portions. The immediate result of this is that the product of the land is barely sufficient, at best, to sustain its owners. South of the river Tagus, on the other hand, there are enormous tracts of excellent land lying unused, but it has been found impossible to induce the farmers of the north to move into this region and take up large holdings.

FARMERS HONEST AND HARDWORKING.

The Portuguese peasant or small farmer is a sober, honest, kindly, and most hard-working man. Utterly ignorant of the great world around him, isolated from it by the geographical position of his country, he is deeply attached to that spot of ground on which he

was born. His wants are very few, and if he can succeed in paying the various taxes and imposts and sustaining himself and family he is satisfied. All this is a factor to be taken into account very seriously in considering the possibilities of trade with Portugal. Other factors of the very highest importance may be roughly classed as political and financial. The importance of the political factor is absolute and undeniable, but a discussion of the factors grouped under this head is, for manifest reasons, impossible in such a report as this. The financial factors are difficult to entirely separate from the political. I shall not attempt to do more, therefore, than to indicate a few pertinent facts regarding the financial condition of the country and of its people, without explaining how these came about or why they exist.

Gold has long ceased to be used in the country. A certain amount, not inconsiderable, of silver coin is in circulation, but the real money of the country is paper money. The notes are issued by the Bank of Portugal, and for every dollar of coin reserve there are at least $17 paper in circulation. Nevertheless, this paper is held at an astonishingly close approach to par. This high value of paper is, of course, entirely artificial and subject to sudden and very violent fluctuations.

IMPORTS BY COUNTRIES.

There is practically no middle class in Portugal, but only very rich people and poor people. The rich class naturally is that which purchases from other countries their products. I do not forget that a very large proportion of the imports of a country consists of the necessities of life, and particularly of raw materials for use in the arts and industries, and of food products. Thus, of the $66,000,000 of imports into Portugal for consumption in 1907, $33,000,000 were of raw materials and textiles and $23,000,000 for foodstuffs, including live animals, leaving only $10,000,000 for manufactured articles of all kinds.

It is precisely in this last class of articles that the greatest efforts are made for the securing of foreign trade by American merchants and manufacturers. It is of course natural, in view of the long and close relations between England and Portugal, on the one hand, and the frequent and close connection both by sea and land with other countries of Europe, that the greater part of such articles should come from England, Germany, and France. As a matter of fact, taking the total imports, England is the country from which most imports come, followed by Germany, France, Spain, and the United States, with Russia sixth, the imports therefrom being wheat and petroleum. The total amount of imports from the United States is, in round figures, $3,500,000, of which $2,500,000 represent raw material, $750,000 food products, and $250,000 manufactured articles of all kinds.

There is no doubt that the lack of means of direct transport is very largely responsible for the smallness of our imports of manufactured articles. During the year 1905 4,835 steamers, with a tonnage of 9,167,173 tons, and 2,943 sailing vessels, with a tonnage of 304,266 tons, entered the various ports of the Kingdom with cargo. Of these, from the United States 1 sailing vessel of 494 tons entered at Horta, in the Azores, 1 of 131 tons at Ponta Belgada, also in the Azores, and 1 of 370 tons at Funchal, Madeira; a total of 3 sailing vessels, of 995

tons, bringing cargo. Fifteen American steamers and 13 American sailing vessels in ballast touched at these same ports during the year. Not a single merchant vessel flying the American flag arrived at any port of continental Portugal. The only direct communication between the two countries is a small Portuguese steamer, less than 3,000 tons, which makes about five trips per annum in each direction.

IMPORTS AND EXPORTS OF PORTUGAL.

According to statistics recently issued by the minister of finance, the foreign trade of Portugal was as follows in 1907: General imports, $85,823,880; general exports, $52,823,880. Of these imports, $19,280,160 were reexported—$7,880,760 imports from foreign countries and $11,399,400 imports from Portuguese colonies—which, deducted from the general imports and exports, reduces the trade proper of Portugal, imports entered for consumption and exports of Portuguese products, to the following amounts: Imports, $66,360,600; exports, $33,543,720.

The issuance of the foregoing statistics was for a special purpose, and no details of the trade are given; in fact, the detailed statistics of Portuguese trade for 1905 have only been just issued. It is difficult, almost to the point of impossibility, to obtain detailed statistics of a recent date. The variation of Portuguese trade from year to year is so very little, however, that the details of the trade of 1905 will stand for a practical showing for the trade of 1907. As substantiating this, the figures for the years 1904, 1905, and 1907 are herewith given of domestic exports and imports for consumption:

Trade.	1904.	1905.	1907.
Imports	$67,075,883	$65,515,200	$66,360,600
Exports	33,168,004	29,302,256	33,546,720
Total	100,243,887	94,817,456	99,906,324

HOW TO INCREASE AMERICAN TRADE IN PORTUGAL.

The Portuguese tariff enumerates 600 articles imported in 1905. The United States furnished part of the imports under 272 of these heads. The total value of the general imports under these 272 heads was $42,475,290 and the portion furnished by the United States was $3,743,531, or 8.8 per cent. The most important American products were, cotton, to the value of over $1,000,000; corn, petroleum and other oils, and tobacco, about $500,000 each; wheat and staves, $250,000 each. These six articles account for $3,000,000, leaving only $743,531 for the other 264 articles.

This consulate-general is in constant receipt of letters from merchants and manufacturers in the United States asking information as to the probability of opening up business in Portugal in certain lines. A carefully prepared table which accompanies this report will answer such questions, in general, more accurately and perfectly than can be done in any other way.

Wheat and tobacco are government monopolies, and their importation is therefore strictly limited. Corn naturally follows the movement of wheat. The total value of the agricultural products of Portugal, including wines, is about $120,000,000. The exports of food products from Portugal for 1905 was about $17,000,000. It fol-

lows, therefore, that Portugal consumes all of its agricultural products. In addition about 100,000 tons of wheat, 50,000 tons of corn, and 20,000 to 30,000 tons of other cereals have to be imported annually. Petroleum is handled by an American company established here. Cotton and staves are chiefly entered at Oporto, arriving in English and German steamers.

Duties on all classes of goods, particularly manufactures, are very high, in some cases prohibitory. These high duties added to the ocean freight, the lack of direct communication, and the short credits granted by American exporters, operate against a very great extension of our trade with this country. Nevertheless, from time to time manufacturers send enormous numbers of catalogues in English or Spanish to this country in the hope of thereby obtaining orders. The futility of such a proceeding has been pointed out in consular reports from all over the world for many years.

AMERICAN CATALOGUES SAID TO BE MISLEADING.

There is, however, a much more important factor for our failure to enter this market permanently, even when a foothold has been obtained. This factor may be stated as a failure to deliver goods up to contract or description. For example, in the matter of automobiles: There are close upon 1,000 high-class automobiles now running in Lisbon, but I do not know of a single one of American make. In reply to my questions why no American machines were used I was told, after the questions of difficulty of transportation, duties, etc., were brought forward, that there were two main difficulties: The impossibility of seeing any sample of the machine, and, more important, the descriptions in American catalogues were misleading. English and French manufacturers in stating the horsepower always give the minimum or normal horsepower, the actual power developed being usually considerable in excess of this figure. Thus a 12-horsepower machine would actually give 16 to 18, with a maximum of 20. On the contrary, in stating the horsepower of an American machine the maximum possible power is given, to be attained for short periods in time and distance under the most favorable circumstances, and a 40-horsepower American machine would prove really less powerful than a French or English machine classed as 20 horsepower. In this one item of automobiles Portugal purchases a really astonishing number of the highest and most expensive class. There is just one way in which Americans can get any part of this trade. They must find out, by sending experts here, precisely what kind of machines are wanted, precisely how to describe their goods to prospective purchasers in such a manner that accurate comparison can be made with the claims of their European rivals, and then they must bring machines here and demonstrate by actual tests their superiority in style, comfort, power, speed, construction, materials, endurance, and economy of running. What is true of automobiles is equally true of nearly every other manufactured article for which a market is sought here.

CAPITALISTS FROM THE COLONIES.

In spite of its considerable debt, both external and internal, there is a great deal of prosperity in the country. Very large sums of money are annually added to its wealth in ways which do not appear in any tables of commercial statistics. There is a constant influx into

the country of men who have gained very large fortunes in the Portuguese colonies and in Brazil. When these men have made their fortunes they come to Portugal, establish themselves here, and spend their money lavishly. Most of them come to Lisbon, and building operations are, and have been for many years, going on on a most prodigious scale. New buildings are going up continually in every quarter of the city, and the city itself is extending its borders in a really astonishing manner. During the little more than one year that I have been here many magnificent new avenues have been opened up, which are now lined on both sides with elegant and expensive residences. Nor do these long remain empty. In spite of the comparatively high rents, all of these buildings are occupied as fast as completed. A very great proportion of them are large buildings of four and more stories in height, laid out in flats. The city possesses excellent waterworks, a really first-class telephone system, gas and electric lights, and an electric trolley system unsurpassed anywhere for comfort and efficiency.

IMPORTS BY ARTICLES.

The following statement shows the general imports of principal articles into Portugal in 1905 of which the United States furnished a part:

Articles.	Total imports.	Imports from the United States.
Apparatus, chemical, gymnastic, and philosophical	$163,741	$4,748
Automobiles	352,909	5,592
Cheese	178,029	1,263
Chemical products	497,503	22,726
Cigars	117,454	11,320
Codfish	3,299,032	6,329
Coffee	711,840	258
Copper manufactures	565,873	8,623
Copper sulphate	397,408	13,721
Cordage	79,431	2,745
Corn	1,952,349	508,660
Cotton	3,963,842	1,157,789
Cotton manufactures, piece goods	2,020,322	28,215
Cotton twist	381,322	7
Cotton, woven and knitted	124,453	1,415
Dyes, liquid	177,674	1,863
Dyes and colors, in powder or lump	386,481	169
Electric machines and batteries	143,305	4,998
Engines, steam, gas, etc., up to 30 horsepower	77,265	698
Firearms of all sorts	332,288	8,470
Furniture	78,470	2,314
Glass manufactures	401,222	3,398
Hardware	234,858	2,319
Hides, dry and tanned	1,478,161	6,287
Implements and tools	370,389	19,516
Iron:		
Railway materials	137,708	119
Gilt, painters, galvanized, etc	120,571	11,201
Wire, plain, galvanized, etc	415,238	149
Wrought	1,531,031	3,406
Tubes	112,044	8,489
All other iron and iron goods	371,285	15,487
Total	2,687,877	38,851
Jute and other vegetable cord or thread	$230,656	$7
Lumber, boards	623,598	97,156
Machines, weighing from 110 pounds to 2,200 pounds	993,970	30,801
Medicines	94,912	1,710
Oils, animal	244,095	10,898
Paper, of all kinds	339,516	2,863
Petroleum, refined	507,387	397,326
Pianos	115,411	1,100
Printed matter, not bound	161,180	559
Reapers, mowers, binders, etc	125,079	11,160
Rolling stock, for railways	250,768	2,135
Rubber manufactures	150,700	1,360
Seeds, oil, n. e. s	1,207,365	8,553
Sewing machines	216,067	1,960
Silk manufactures	488,694	46
Staves	820,971	250,079
Steam vessels	869,011	3,046
Steel and steel manufactures, n. e. s	466,566	6,081
Sugar	187,011	11,347
Tea	323,337	556
Tobacco:		
Leaf	630,109	474,741
Manufactured	40,918	2,632
Wheat	5,515,111	235,010
Wood:		
Cabinet, in bulk	168,179	5,562
Ordinary beams	114,000	82,330
All other, and manufactures of	78,292	5,970
Wool, combed, white	319,938	648
Woolen manufactures	1,143,795	912
All other articles, of which the United States furnishes a share	6,693,365	329,517
Total imports of which the U. S. furnishes a share	42,475,290	3,743,531

FINANCES, RAILWAYS, TONNAGE TRADE, AND CUSTOMS.

From a report lately presented to the Chamber of Deputies by the Minister of Finance the following facts are summarized:

The floating debt April 30, 1908, was $83,480,708, of which $68,338,621 was held in Portugal and the remainder, $15,142,087 abroad. On the same date the nominal total debt of Portugal was $574,099,690. The population of Portugal exclusive of the colonies being, according to the latest statistics, 5,687,627, the per capita debt is $100.94. The minister, however, calculates the actual total debt at $355,541,820, and the corresponding actual per capita debt at $62.49. There is no colonial debt, all loans for public works and railways being at the charge of the nation. Since 1870 nearly $65,000,000 have thus been expended in the colonies and are included in the public debt.

The railway traffic constitutes an important factor for the estimation of the activity of business. The statistics for 1907 show that on an average of 1,684 miles the total traffic receipts amounted to $10,201,960. These returns were divided between the lines run by companies and those by the State as follows:

Description.	Miles.	Freight.	Passenger.	Total.
Companies	1,067	$3,129,840	$4,055,680	$7,185,520
State	617	1,165,320	1,851,120	3,016,440
Total	1,674	4,295,160	5,906,800	10,201,960

Of the 1,067 miles of company railways 825 are full gage and 242 narrow gage.

The tonnage of merchandise received from and exported to the several countries in 1907 was as follows:

Country.	Imported.	Exported.	Country.	Imported.	Exported.
	Tons.	*Tons.*		*Tons.*	*Tons.*
England	1,338,690	358,387	France	68,625	81,389
United States	101,659	130,856	Italy	4,960	9,122
Belgium	101,519	47,811	Holland	22,868	52,093
Germany	88,586	128,586	Brazil	.....	123,259

The total customs receipts for the fiscal year 1906–7 for continental Portugal and the adjacent islands amounted to $23,550,480, the principal items being general duties, $16,344,720; tax for entrance of city boundaries (octroi), $3,128,760; sundry receipts, $2,100,600; duties on cereals, $784,080. This total is inferior to that of 1905 or 1906, but higher than any preceding year; the decrease is entirely in receipts from duties on cereals, all other branches of revenue having shown an increase.

THE AZORES.

By CONSUL JOHN F. JEWELL, ST. MICHAEL.

The Azores is an agricultural district. Its total trade has remained almost stationary for years. Owing to its commercial isolation the district has been neglected, especially by American exporters. American-made goods are popular, though a traveling salesman from the United States is rarely seen.

A great hindrance to the sale of American goods in this district is the unwillingness of the exporter to fill small orders, the lack of regular freight steamers, and the cheaper freights offered by regular steamers carrying fruit, chiefly pineapples, to London and Hamburg. While many steamers trading with New York and Boston call at Azorian ports for passengers, carrying away about 10,000 emigrants each year and returning, perhaps, with one-half that number, yet few of these steamers will carry freight in either direction.

Many things are now made in Portugal which were formerly imported, and a high tariff now makes it next to impossible to sell even a superior article of American manufacture. There has been an increase in the importation of American agricultural implements in the year 1907 and a notable sale of American coal, amounting to $23,261, in a market that is controlled by British firms. The chief imports from the United States are cotton goods, leaf tobacco, lumber, machinery, agricultural implements, petroleum, sugar, and wheat. The chief exports of the district are alcohol, beans, maize, fish, lily bulbs, cattle, cheese, and pineapples. Pineapples to the number of 1,112,042 were exported to London and Hamburg in the year 1907.

IMPORTS BY COUNTRIES.

The following statement shows the imports into St. Michael from the United States for the years 1905, 1906, and 1907:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Agricultural implements	$332	$602	$1,757	Mineral oils	$265	$500	$845
Alcoholic drinks	75	.....	20	Oil cake	17	20	25
Beer	136	292	20	Paints	198	251	256
Bicycles	153	219	55	Paper of all kinds	86	104	261
Biscuits	1	16	15	Perfumery	77	300	278
Blacking	127	120	236	Petroleum	12,845	22,280	22,053
Boots	981	1,016	1,072	Preserved provisions	125	115	55
Ceramic products	.....	50	32	Pianos	.....	350	.....
Chemical products	133	207	684	Physicians' instruments	132	506	400
Cigars	270	367	130	Resin	950	2,259	3,910
Coal	.....	.....	23,261	Seeds	.....	60	134
Codfish	30	60	210	Skins	291	1,242	2,397
Coffee	60	50	30	Silk goods	.....	.....	36
Confectionery	9	28	39	Sewing machines	.....	164	700
Copper and metals	840	505	1,315	Soap, common	128	65	76
Cordage	25	223	280	Soap, fine	123	403	159
Cotton goods	3,016	5,850	4,831	Spices	17	46	25
Earthenware	240	374	246	Sugar	8,084	8,326	7,374
Empty bags	1,081	711	64	Turpentine	55	72	35
Farinaceous foods	269	291	235	Tobacco	54	13	34
Furniture	300	389	269	Tools	642	1,120	1,454
Gelatin	.....	.....	38	Vehicles	.....	1,550	124
Guns	59	30	40	Varnish	220	391	345
Gutta-percha	189	119	200	Watches and clocks	515	628	449
Haberdashery	390	358	392	Wheat	3,100	11,045	.....
Hops	675	573	573	Woolen goods	.....	742	592
Iron and steel	1,877	3,856	4,127	Glassware	1,112	849	863
Leaf tobacco	4,500	5,039	6,060	Cardboard	287	6	368
Leather	331	40	125	Metal pumps	.....	325	.....
Lumber	2,443	6,980	3,386	All other articles	19,822	122	10
Machinery	579	1,588	2,416				
Manure	.....	180	110	Total	68,466	84,127	95,618
Molasses	200	140	139				

IMPORTS FROM THE UNITED KINGDOM, GERMANY, AND FRANCE.

The imports into St. Michael from the United Kingdom in 1907 were $317,666, of which the following were the leading articles:

Articles.	Value.	Articles.	Value.
Coal	$153,148	Glassware	$2,279
Machinery	24,359	Linseed oil	2,243
Cotton manufactures	20,323	Silk goods	2,109
Manure	19,438	Gutta-percha	1,837
Vehicles	12,280	Haberdashery	1,769
Iron and steel	11,550	Chocolate	1,345
Cement	10,060	Earthenware	1,327
Woolen goods	9,299	Sewing machines	1,282
Paper	4,184	Chemical products	1,224
Paints	3,689	Spirituous liquors	1,131
Sugar	5,366	Electric fittings	1,100
Tools	2,958	Copper	1,724
Linen	2,531	Candles	829

The imports from Germany in 1907 were $63,546. The principal articles were: Plants, $7,764; iron and steel, $6,664; machinery, $4,518: manure, $4,455; cotton goods, $4,642; glassware, $3,168; chemical products, $3,086; paper, $2,534; tools, $2,490; barley, $2,394; sugar, $2,065; haberdashery, $1,953; skins, $1,360; sewing machines, $1,013; silk goods, $1,003; cotton thread, $840; copper, $520.

The imports from France were $15,826. The principal articles were machinery, cotton goods, haberdashery, iron and steel, paper, silk goods, and woolen goods.

The total imports into St. Michael from leading countries during 1907 were as follows: United States, $95,691; United Kingdom, $317,666; Germany, $63,546; France, $15,826; all other countries, $15,290; total from all countries, $508,019.

EXPORTS FROM ST. MICHAEL.

The exports from St. Michael to the United States during the year 1907 were as follows: Bulbs, $3,158; salted fish, $1,842; all other articles, $391; total, $5,391.

The following statement shows the exports from St. Michael for 1905, 1906, and 1907:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Fruits	$2	$41	$15	Pineapples	$381,106	$314,350	$337,512
Hemp (New Zealand)	499	577	279	Salt	200	800	.....
Indian potatoes (yams)	15	108	178	Salt fish	50	.....	750
Legumes (vegetables)	100	30	.....	Tobacco	6,450	6,485	6,753
Miscellaneous	191	833	.....	Whale oil	4,158	8,352	15,481
Onions	.....	10	60	Wine	24	.....	3
Oranges	781	486	1,132				
Plants	303	264	225	Total	393,879	332,336	362,388

SHIPPING RETURNS.

During the year 1907 the number of vessels entered and cleared at the port of Ponta Delgado, St. Michael, was 467 and 462, respectively. Of the number entering 447 were merchant vessels, 14 war vessels, and 6 pleasure yachts. Of the entries 303 were from Europe, 130 from the United States, 1 from Africa, and 33 from the high seas; 186 steamers coaled during the year. The total number of passengers landed from all vessels was 8,000; passengers in transit,

81,116. A total tonnage of 1,624,999 tons arrived, representing the following nations, viz:

Nationality.	Number.	Gross tons.	Nationality.	Number.	Gross tons.
American	12	4,026	German	36	118,823
Portuguese	1,139	191,510	Austrian	16	60,463
British	67	1,039,147	Italian	18	89,545
Norwegian	49	47,620	Russian	2	9,338
Swedish	4	5,912	Cuban	1	193
Danish	3	2,553			
Dutch	4	10,253	Total	467	1,624,999
French	16	45,616			

FLORES.

Nothing is exported from this district to the United States. All agricultural products are on the decrease, owing to scarcity of labor caused by greatly increased emigration to the United States.

Imports from the United States have decreased, as will be seen by the following statement: Imports in 1905, $1,897; in 1906, $1,121; in 1907, $764. They consist of petroleum, sewing machines, cotton piece-goods, agricultural implements, paints, hardware, glassware, lanterns, and shoe blacking.

SAN JORGE.

The foreign trade of San Jorge for 1905, 1906, and 1907 was as follows:

Trade.	1905.	1906.	1907.
Imports	$10,421	$12,863	$10,098
Exports	74,510	68,663	79,071
Total	84,931	81,526	89,169

The imports from the United States exceed those of any other country, but Great Britain and Germany are strong competitors as will be seen by the following statement, which shows the total imports for the several countries during 1905, 1906, and 1907:

Countries.	1905.	1906.	1907.	Countries.	1905.	1906.	1907.
United States	$2,588	$5,410	$3,896	France	$121	.....	$200
Germany	2,492	2,470	1,132	Brazil	1,526	$1,380	15
Holland	1,856	520	1,500				
United Kingdom	1,838	3,083	3,355	Total	10,421	12,863	10,098

The articles constituting the imports at San Jorge from the United States for the same years were as follows:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1607.
Blacking	$3	$15	$20	Metalware	$71	$75	$58
Boots and shoes	24	65	170	Paints	24	50	28
Clocks	20	.....	24	Perfumes	14	.....	15
Cotton cloths	20	.....	127	Petroleum	1,288	2,300	516
Crockery	.....	.....	63	Pianos	.....	.....	100
Farmer tools	282	310	470	Soap	.....	.....	35
Fish-lines	25	30	.....	Sugar	60	450	415
Furniture	18	.....	9	Tar	.....	.....	.....
Glassware	31	45	35	Tea	.....	.....	.....
Guns	.....	.....	.....	Timber	85	400	1,190
Hardware	390	130	308	Varnishes	8	.....	11
Harness	11	90	120				
Machinery	125	1,450	182	Total	2,588	5,410	3,896
Miscellaneous	88	.....	.....				

The following statement shows the exports for San Jorge by articles during the years 1905, 1906, and 1907:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Butter	$29,811	$25,527	$29,818	Hides	$1,100	$1,180	$1,240
Cattle	13,495	13,398	14,597	Indian corn	1,566	7,162	9,276
Cheese	27,208	18,527	19,375	Lupine	426	1,745	902
Wheat	904	1,060	3,778				
Fruit	87	74	90	Total	74,600	68,678	79,071

TERCEIRA.

No complete information can be obtained relative to the exports from Terceira. The total imports for the year 1907 amounted to $121,147. Of this amount $31,545 were from the United States, $54,630 from Great Britain, $25,997 from Germany, and from all other countries $8,975.

The following articles were imported from the United States in 1907:

Articles.	Value.	Articles.	Value.
Cordage	$522	Petroleum	$8,558
Cotton piece goods, unbleached	7,329	Rosin	2,488
Glass chimneys	267	Sugar	3,195
Machinery and agricultural implements	1,560	Sundries	2,481
Oil and tallow	1,935		
Oil, "palm"	3,210	Total	31,545

The principal imports from the United Kingdom were as follows: Sugar, $12,961; tea, $3,966; manure, $2,860; coal, $2,115; sperm candles, ironware, lumber, machinery, and agricultural implements, oil and tallow, palm oil, paints and powder, prepared paints, paper, soda, starch, and manufactured tobacco.

The principal imports from Germany were as follows: Sugar, $5,202; machinery and agricultural implements, $4,076; copper wire, $3,878; crockery, hardware, paper, rice, sewing machines, manufactured tobacco, and textiles and laces.

The imports from all other countries were as follows: Textiles, sugar, manufactured tobacco, copper wire, hardware, chemical products, machinery, and agricultural implements, etc.

The exports from Terceira to the United States during the years 1905, 1906, and 1907 amounted to $527, $210, and $528, respectively, and consisted in 1907 of salted fish.

FAYAL.

By Consular Agent Moyses Benarus.

The domestic commerce of the district is at present, and has been for some years past, in a stationary condition owing to many causes, but chiefly to the decrease of the population. The agricultural part of the district, which represents one of the most important sources of income, is in danger of being almost completely abandoned. The number of young men and young women that emigrate to the United States, at a time when their activity and labor is most required, is very large. The number of young men under 20 years of age that

left the islands during the calendar year 1907 was 711, young girls 491, and whole families 74, making a grand total of 1,572. This number taken from a small population like that of Fayal and Pico, which according to the last census was only 46,510, explains the present state of affairs.

Under these circumstances it is easy to see that the labor conditions are critical, as all those really fit for work and that could produce much abandon their country in order to better their condition.

Agricultural operations are conducted in a very primitive manner, although a few modern implements have of late years been introduced from the United States by the limited number of young men that return therefrom.

The island of Fayal, with its beautiful port of Horta, is in the direct route of the great ocean liners crossing the Atlantic. The Bay of Horta is the largest, the safest, and the most beautiful in the Azores, and is considered so by all travelers, mariners, and tourists who have ever visited it. If it had sufficient accommodations to attract a greater number of travelers, there would be ample means to improve the shipping and better the conditions of the district. In recent years Horta has been honored by the visits of the American Atlantic squadron.

IMPORTS FROM THE UNITED STATES.

The following statement shows the imports at Fayal from the United States during the years 1905, 1906, and 1907:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Agricultural implements.	$1,550	$562	$600	Leather	$700	$1,320	$1,440
Beer	950	670	1,200	Lumber	3,805	12,304	14,490
Biscuits	50	54	100	Machinery	420	1,080	1,600
Blacking	150	200	200	Perfumery	369	470	506
Bicycles	210	158		Paints	385	275	503
Chemical products and medicines	359	450	52 306	Petroleum	5,650	5,000	5,440
Cotton goods	12,017	11,226	13,054	Staves	380	400	900
Chocolate	32	30	27	Silk goods	40	17	100
Copper and metal	367	140	342	Sewing machines	250	240	350
Cordage and ropes	1,640	2,080	2,100	Shoes	400	155	250
Canned meats	350	212	62	Sundry articles	540	354	392
Earthenware	100	125	90	Tools	800	700	600
Farinaceous foods	350	375	333	Tobacco	50	52	116
Guttapercha	195	207	240	Tea	400	400	438
Glass and glassware	580	500	350	Watches and clocks	139	404	296
Haberdashery	264	404	227	Woolen goods	150	180	65
Hardware	66	15	80	Vehicles and wheels	350	237	.....
Iron and steel, including nails	1,610	1,274	1,905	Total	35,668	42,271	48,754

IMPORTS FROM THE UNITED KINGDOM, GERMANY, AND FRANCE.

The imports into Fayal in 1907 from all other countries outside the United States were as follows:

United Kingdom, $47,967, consisting chiefly of coal, $20,156; cotton goods, $6,702; sugar, $3,419; telegraphic instruments, $2,014; woolen goods, $1,546; iron and steel, $1,476; cement, $1,260; machinery, $971; silk goods, $994, etc.

Germany, $15,750, consisting chiefly of sugar, $6,300; sewing machines, $1,300; haberdashery, $1,122; cotton goods, $900, etc.

France, $3,700, of which silk goods amounted to $1,000, cotton goods to $500, etc.

All other countries $17,235, of which sugar, cotton goods, and liquors, $4,650, $2,840, and $1,265, respectively, were the chief articles.

The total imports into Fayal in 1907 were as follows: United States, $48,754; United Kingdom, $47,967; Germany, $15,750; France, $3,750; all other countries, $17,235; total, $133,456.

The exports from Fayal to the United States in 1907 were as follows: Embroideries, $999; straw hats, $100; yarns, $105; total $1,204.

MADEIRA.

By VICE-CONSUL W. J. G. REID, FUNCHAL.

The total volume of trade of Madeira for 1907 was $3,861,562, an increase of $470,941 over the previous year. Of this amount $2.928,-096 represented imports, a gain of $694,653, and $933,466 exports, a loss of $223,712 over 1906. A comparison of the trade for the past three years is shown in the following table:

Countries.	Imports.			Exports.		
	1905.	1906.	1907.	1905.	1906.	1907.
United States	$385,787	$163,872	$432,659	$22,657	$27,354	$31,985
United Kingdom	910,035	401,299	756,217	178,732	154,912	140,329
Germany	222,651	331,856	334,379	337,836	518,286	478,588
France	33,758	26,468	40,825	149,660	218,068	116,837
Russia	4,944	110	(a)	221,658	108,384	87,172
Argentina	(a)	586,491	550,940	(a)	885	1,164
Morocco	162,097	46,378	11,545	(a)	424	(a)
All other countries	405,432	676,969	801,531	131,084	128,864	77,390
Total	2,124,704	2,223,443	2,928,096	1,041,627	1,157,177	933,465

a No returns.

CLASSIFICATION OF IMPORTS AND COUNTRIES OF ORIGIN.

The principal articles and their value imported during the past two years were as follows:

Articles.	1906.	1907.	Articles.	1906.	1907.
Coal	$533,069	$589,081	Paper	$12,287	$13,068
Cotton goods	301,325	324,654	Wine	9,993	10,401
Wheat	385,604	284,873	Cheese	5,703	7,732
Corn	284,472	277,231	Candles	6,200	5,460
Lumber	48,534	57,000	Sugar	6,286	4,197
Codfish	36,516	56,263	Tobacco	5,011	3,089
Rice	43,526	49,408	Tea	3,255	2,879
Staves	47,582	29,096	All other	442,009	1,167,325
Molasses	46,133	23,470			
Petroleum	15,938	22,869	Total	2,233,443	2,928,096

In this trade the United States was represented in the imports of wheat, corn, lumber, staves, and by all the petroleum; the United Kingdom furnished all the coal and tea and part of the cotton goods, sugar, cheese, tobacco, paper, and candles; Germany supplied all the rice and a portion of the sugar, tobacco, and paper; France sent cotton goods, wine, and paper; Argentina furnished corn and wheat; Canada sent lumber and staves, while Newfoundland furnished all the codfish.

PRINCIPAL EXPORTS—TRADE WITH UNITED STATES—SHIPPING.

Of the exports in 1907, wine constituted $552,448; embroidery, $299,533; wickerwork, $17,316; onions, $11,864; eggs, $10,690; butter, $6,495; fruits, $3,584; and miscellaneous articles $31,535. Of these articles the United States took, according to the declarations made at this consulate, wine to the value of $18,798, embroideries, $12,019, and wickerwork, $1,168. The official statistics of embroidery exported to the United States do not show the entire amount, as a great deal is shipped to Germany and thence reshipped. It is probable that the exports are much larger than the amounts passed through this consulate show. The exports to South Africa have decreased greatly, owing to trade conditions there.

The total number of ships clearing in 1907 was 1,365, compared with 1,287 in 1906, an increase of 78. Great satisfaction has been caused by 12 large liners touching here this season from New York and Boston, on their way to the Mediterranean, full of American passengers. It is hoped that these calls will be continued, as there is no doubt that if this island were better known it would become a favorite resort of the American traveling public. If the steamship companies could see their way clear to call here on their way back to the United States it would doubtless be popular and profitable.

MALTA AND GIBRALTAR.

INTRODUCTION.

The review of the trade conditions in Malta and Gibraltar for the year 1907 with some later statistics shows that the value of the dutiable goods shipped into Malta was $6,017,573, of which the United States supplied $620,292 worth, the United Kingdom and its colonies taking the lead with goods valued at $1,480,954. The imports for domestic consumption for the fiscal year 1907, as reported by the governor, were $5,935,748, and for the fiscal year 1908, $6,017,573, showing an increase for the last fiscal year of $81,324. The reexportation in the same vessels in which the goods were brought amounted to about $28,000,000. The purchases from the United States in 1908 exceeded by $33,117 those of the previous year, the principal articles being cotton-seed oil, flour, petroleum, tobacco, and wheat, the latter amounting to $505,886. The exports of domestic products during the year aggregated $775,894, of which the United States was credited with receiving $6,149, but that was exclusive of purchases made through foreign houses and credited to other countries. The exports from the United States to Malta, which included Gozo and other small islands of the group, in the year 1908 aggregated $775,027, as compared with $561,571 in 1907 and $376,723 in 1906. The direct imports from Malta were $9,802 in value in 1908, as compared with $6,125 in 1907 and $21,396 in 1906.

The lieutenant-governor of Malta, in his report for the year 1907, stated that the reductions in the garrison and fleet, and the lessened number of steamers calling at that port, caused a general decline in business. American tobacco was formerly used to a considerable extent in the island, but that is no longer the case. The largest item of import is wheat, followed by barley and corn. When there was a direct line of steamships to the United States American trade increased, but when that line ceased it fell off, showing the advantages of direct steamship communication. The recent establishment of such a line makes it possible for larger trade with Malta in the near future.

The trade of Gibraltar is limited, as the place is purely a garrison and naval station. The only statistics available covering the imports are those giving quantities and not values. According to the statistics of the United States the direct exports to Gibraltar in 1908 were $542,087 in value, and $379,746 in 1907. The imports from Gibraltar were $12,120 in 1908 and $23,879 in 1907. The principal articles of import consist of Spanish furniture, garlic, spirits, and wine. The imports of tobacco into Gibraltar in 1907 amounted to 3,895,299 pounds, a small reduction from the previous year, while in ale and porter the reduction in imports was 217,221 gallons, and in wine and spirits there was a corresponding reduction, all of which was attributed to the reduction of the garrison and prolonged absence of the Atlantic fleet. A large number of vessels enter the port each year, but of the 3,246 steamships and 486 sailing vessels which entered in 1907 the number from the United States was not large enough to be classified, and was included under the head of " other countries."

REVIEW OF TRADE CONDITIONS OF MALTA.

By Consul William Holt Gale, Valetta.

The depression in trade in 1906 became more acute in 1907. The annual trade statistics of the customs and port department show that during the financial year ended March 31, 1908, there was a decrease in the importation of nearly all dutiable articles. The gross revenue for 1908 was $1,244,402, as against $1,299,825 collected during the preceding year, showing a decrease of $55,423.

The chief dutiable articles imported, with their respective values, were: Cattle (including bullocks, horses, mules, and sheep), $785,150; cotton-seed oil, $90,229; flour, $757,085; meats (frozen and preserved), $108,820; olive oil, $261,631; petroleum, $195,068; sugar, $735,663; tobacco (manufactured and unmanufactured), $260,434; wheat, $966,764; and wine, $482,795. The total value of dutiable imports actually landed was $6,017,573. The principal countries from which the imports were drawn, with the values of the articles furnished by each country, were: United Kingdom and British colonies, $1,420,954; Austria-Hungary, $686,292; Barbary, $630,697; Russia, $629,710;

United States, $620,750; Turkey, $598,770; Italy, $595,893; Tunis, $255,667; Greece, $231,432; France, $136,250; Germany, $109,465; and Belgium and Holland, $85,831. The United States now stands fifth in the list instead of sixth, as was the case in 1906, and shows an increase of $33,117 in the value of the imports furnished. The principal articles supplied were: Cotton-seed oil, $10,472; flour, $39,301; petroleum, $39,798; tobacco (unmanufactured), $24,458; and wheat, $505,886.

INCREASED PURCHASE OF WHEAT—EXPORTS TO UNITED STATES.

The prices of flour in Europe were very high during the year, consequently less flour and more wheat were imported, to the advantage of the local milling industry. This also benefited American trade, as the United States got a larger relative share of the total amount of flour imported, and received as well a larger share of the increased importation of wheat. Less wine was imported during the year, owing to the consumption of wine made locally, which is not subject to any duty. A greater number of bullocks was imported, because the animals were slaughtered without having been previously fattened in Malta. There was less petroleum purchased, because of large stocks existing in the tanks at the beginning of the year. Coal to the amount of 423,543 tons was received during the year, so large an amount being required, because of the British Mediterranean fleet being stationed here.

The exports from Malta, leaving out of account goods which are reexported without being landed, are unimportant. The value of goods which were actually landed at this port and reexported was $775,894. The local products of the island, which are exported only to a limited extent, are cheese, cotton, cotton goods, cumin seed, goats, onions, oranges, potatoes, sheep, stone, and vegetables.

The total exports to the United States for the year ended December 31, 1907, as shown by the records of this office, amounted to $6,149, against $3,100 in 1906 and $4,980 in 1905. The articles were as follows:

Articles.	1905.	1906.	1907.
Carriage	$197	.....	.....
China and silver ware	489	.....	.....
Cumin seed	391	.....	.....
Elaterium	154	$207	$1,873
Goats	832	.....	.....
Jewelry	.....	.....	119
Lace goods	2,238	1,958	3,524
Tomato paste	116	.....	.....
Tobacco	563	935	633
Total	4,980	3,100	6,149

During the financial year 2,315 steamers and 939 sailing vessels entered at this port, with a tonnage of 3,738,694 and 53,801, respectively. Although there was a slight decrease in the number of steamers the aggregate tonnage shows an increase, as larger steamers called at Malta than in the previous year. There was an increase of 100,134 in the tonnage of British and of 67,299 in that of foreign steamers. No American merchant vessel called during the year.

I am glad to be able to state that direct shipping connection has once more been established with New York. The Gans Steamship Company, with approximately monthly sailings, has recently made Malta a port of call. This will make it possible to avoid the long delays and many vexations incidental to transshipment, and it is hoped that it will help toward a larger and growing trade between the islands and the United States.

REVIEW OF TRADE CONDITIONS OF GIBRALTAR.

By Consul Richard L. Sprague, Gibraltar.

As stated in my report of August 22, 1907, the completion of the harbor works and the reduction of the garrison and naval establishment are undoubtedly the causes for the depression in the trade between this port and the United States. Foreign importations have also greatly decreased, which shows that the general trade of Gibraltar has suffered somewhat of late.

Gibraltar is purely a garrison and naval station, and owing to its political situation it can not become a large commercial center from which merchandise can be freely exported into the surrounding country. The high Spanish duties on foreign importations prevent Gibraltar extending its trade with the neighboring Spanish towns.

PORT OF CALL.

The business is of a limited nature, being confined to supplying the needs of the garrison, the inhabitants numbering only some 20,000, the shipping, and also the large floating Spanish population which enters this city daily from sunrise to sunset. For the past few years Gibraltar, owing to its geographical situation, has become most important as a port of call for all the British and German steamship companies plying between the United States and the Mediterranean, calling at this port outward and homeward bound to embark and land passengers and cargo.

The following are the leading lines calling here weekly and fortnightly: Cunard, Hamburg-American, North German Lloyd, and White Star. Gibraltar is also a port of call for the important British and German companies going to the Far East and Australia, as well as for some of the French, German, and Italian lines running to South America. With the exception of 18 private yachts, no vessels flying the American flag have entered this port, all cargoes from and to the United States being carried in foreign bottoms.

COTTON-SEED OIL—COAL TRADE.

During 1907, 781 barrels of 34 gallons each of cotton-seed oil were received from the United States, which shows a decrease of 384 barrels from 1906. The importation of this oil depends entirely on the olive crop in Spain. When this crop fails the importation of cotton-seed oil increases, owing to the difference of price. Cotton-seed oil is sold mostly by retail in nearly all grocery stores, but, owing to the sanitary regulations, the mixing of these oils is forbidden.

The trade in coal, on which the laboring class depends, did not show any improvement in 1907 with regard to the supply of coal to merchant vessels. The number of tons of coal sold here in 1907, and the number of steamers being supplied with the same, was as follows: Steamers, 1,511, with 184,906 tons, against 1,378 steamers, with 162,838 tons, in 1906, and 911 steamers, with 95,053 tons, in 1905. The large amount of coal sold in 1907 was due to French war ships making Gibraltar their base of supplies during the Casablanca trouble.

COMMERCIAL MOLE—AMERICAN FLOUR CONTROLS MARKET.

The so-called "commercial mole," which was built two years ago for the storage of coal and for other commercial purposes, was finally taken over by the British Admiralty, as it was found that the harbor could not accommodate the large number of warships frequently arriving here. For some time past it was rumored that a commercial mole was to be built to the north of the existing moles, but nothing definite was decided upon. Hulks are licensed crafts, and owing to the British Government desiring to reduce their number no new licenses will be granted.

Algiers and Oran continue to be Gibraltar's greatest competitors in this trade, and are able to undersell Gibraltar owing to the low price of labor and also to the port facilities offered by the French authorities.

Flour still continues to arrive in small parcels direct from New York and Boston by mail steamers, and meets with a steady demand from the local consumers, but 1907 showed a decrease of 17,435 bags from 1906. The importation of French flour has almost ceased, and American flour will continue to control this market so long as the price remains low.

TOBACCO—PROVISIONS.

The importation of all classes of tobacco showed a marked increase over 1906. This increase is attributed to the large consumption of the stock which accumulated during 1904 and 1905, when it was rumored that the duty on all kinds of tobacco would further be increased. The Spanish custom-house officials, assisted by the employees of the Spanish Tobacco Company, continue their activity in trying to suppress the contraband, both by land and sea, and have succeeded in somewhat reducing this illegal trade since the British authorities have lent their aid in preventing boats carrying tobacco from sailing in British waters half an hour after sunset. Parties exporting tobacco are still required to declare the destination of shipments before obtaining the necessary permit.

Lard is the only article which seems to have declined of late, all other articles maintaining a good demand, especially salted pork, sausages, and other tinned articles. Consignments of hams, bacon, and cheese, also of American production, continue to reach this market through English ports. If the imperial and colonial governments were to open their demands to local and foreign competitors instead of obtaining all their supplies direct from England through the

crown agents, I am of the opinion that American trade would be further extended in such articles as hardware, stationery, electric appliances, building materials, etc.

The magazines, illustrated catalogues, and all other printed matter connected with American trade are kept on file at this consulate, and also distributed, but unless commercial travelers visit this market with samples and quotations the sending of trade publications is of itself of little use. This market is constantly being visited by British and foreign traveling agents representing firms for every imaginable article, and I have been informed by local importers here that more business is done in this manner than by ordering goods direct.

TRADE WITH THE UNITED STATES.

The principal imports from the United States, the figures representing quantities, for the years 1905, 1906, and 1907, were as follows:

Articles.	1905.	1906.	1907.
Florida water ..... boxes..	2,751	3,758	3,582
Flour ..... bags..	33,857	54,134	36,999
Oil, cottonseed ..... barrels..	2,699	1,165	781
Provisions:			
Bacon and hams ..... cases..	518	427	621
Beef and pork, salted ..... do...	.....	443	741
Lard ..... pails..	9,450	10,485	8,549
Meat, canned ..... boxes..	1,227	3,015	2,442
Sausages, smoked ..... do...	1,024	1,007	1,609
Tobacco, and manufactures of:			
Leaf ..... hog heads..	496	972	1,396
Siftings ..... cases..	1,869	562	1,207
Manufactured ..... boxes..	503	150	346

There were also received from New York direct in 1907, 129 cases of typewriters, 17 cases of sewing machines, 319 boxes of meal, 43 boxes of sarsaparilla, 17 crates of pumping machines, 126 bags of coffee, 90 boxes of canned fruit, and 100 cases of canned vegetables.

The declared value of exports to the United States in 1907 was $6,700, a decrease of $4,941 from 1906, but an increase of $501 over 1905. The articles were as follows:

Articles.	1905.	1906.	1907.
Books	.....	$4,143	.....
Brushes, desk	.....	.....	$185
Cigars and cigarettes	$107	.....	.....
Corkwood	.....	.....	205
Fish, canned	213	.....	.....
Furniture, Spanish	4,265	6,268	4,105
Garlic	.....	.....	1,644
Perfumes	34	.....	.....
Tusk, ivory	124	.....	.....
Watches	.....	.....	126
Ware, china	.....	110	.....
Wines and spirits	456	1,120	435
Total	5,199	11,641	6,700

RUSSIA.

INTRODUCTION.

The review of the trade conditions in Russia for the calendar year 1907, as shown by the consular reports, is presented herewith. While the trade of Asiatic Russia declined, it was what might be called an average year in European Russia. The total imports were in value $356,651,955 and the exports $508,171,712. The imports increased 6.7 per cent as compared with the preceding year, while the exports declined 2.5 per cent. The imports exceeded those of any year since 1898. In Asiatic Russia the change was more marked, as exports declined 25.2 per cent and imports increased 7.4 per cent.

The exports to the United States in 1907 were in value $15,908,982, as compared with $18,380,144 in 1906. The imports from the United States aggregated $27,826,000, of which $12,826,000 was raw cotton, the total imports of that product reaching $42,539,000. The United States customs returns show exports to European Russia in 1907 of $17,225,866, as compared with $18,236,725 in 1905, and imports of $15,289,880 in 1907, a little less than in 1906, but nearly $2,000,000 more than in 1905. For eight months ending with August, 1908, the exports to Russia aggregated $11,265,205, about the same as in the preceding year, while to Asiatic Russia the exports were $1,431,147, as compared with $1,667,001 in 1906. Direct imports from Asiatic Russia are small, amounting to $29,328 only in eight months of this year. As exports to Russia are transshipped they probably exceed the United States returns. For the same reason the Russian figures of exports to the United States are far below the declared exports returned by the American consuls.

Owing to two years of famine in some parts of Russia the exports of grain were less in 1907 than would otherwise have been the case, while the cost of living increased.

Strikes and railway dislocation affected trade, particularly in Poland, where the manufacturers asserted that a reduction in wages was necessary because they were from 30 to 50 per cent higher than in Moscow and elsewhere, and to a considerable extent they succeeded in enforcing lower rates of pay. Russian fairs are not so numerous as formerly, the extension of railways and the visits of commercial travelers interfering with their trade. Coal mining is developing and great results are predicted for that industry, though large quantities of coal are now imported. Lumber exports are increasing, and 988,200 tons of iron ore were exported in 1907, as compared with 20,200 tons in 1901. The increased production of sugar, oil, manganese, and platinum are expected to add greatly to the wealth of the

nation, while the development of Siberia is proceeding rapidly. The State owns 27,000 of the 40,000 miles of railways and uses them to develop trade.

The textile machinery imported for the first eight months of 1907 was larger in value than for the corresponding period for the preceding five years, which was regarded as a good indication. In Poland business was a good deal disturbed, and over 100,000 persons emigrated from Poland and Lithuania. Warsaw and Lodz have decreased in population in the last few years. The product of the 493 factories in Lodz declined in value nearly $8,000,000 in 1907 as compared with the preceding year.

The consuls give information as to how American producers can increase sales to Russia, which should be of advantage to exporters.

REVIEW OF TRADE CONDITIONS OF RUSSIA.

By VICE-CONSUL-GENERAL WILLIAM DAWSON, JR., ST. PETERSBURG.

The total trade of all Russia in 1907 amounted to $998,844,091, against $990,607,514 in 1906. The trade of European Russia in 1907 amounted to $875,439,811, against $849,677,779 in 1906, while the trade of Asiatic Russia in these two years amounted to $123,404,280 and $140,929,735, respectively.

The imports and exports, including gold and silver bullion and specie, during 1906 and 1907, are shown in the following statement:

	Imports.		Exports.		Total.	
	1906.	1907.	1906.	1907.	1906.	1907.
European Russia: [a]						
Merchandise	$317,418,434	$356,651,955	$511,955,800	$508,171,712	$829,374,234	$864,823,667
Gold and silver bullion and specie	11,849,994	4,305,062	5,453,551	6,311,082	20,303,545	10,616,144
Total	332,268,428	360,957,017	517,409,351	514,482,794	849,677,779	875,439,811
Asiatic Russia: [b]						
Merchandise	83,624,910	82,167,611	48,767,450	39,544,664	132,392,360	121,712,275
Gold and silver bullion and specie	4,811,689	1,238,651	3,725,686	453,354	8,537,375	1,692,005
Total	88,436,599	83,406,262	52,493,136	39,998,018	140,929,735	123,404,280
Grand total	420,705,027	444,363,279	569,902,487	554,480,812	990,607,514	998,844,091

[a] At European ports and across land frontier, including trade of Caucasus and Finland.
[b] Along frontier with China, across trans-Caspian, Turkestan frontiers, mouth of Yenisei, and Russian ports on the Pacific.

TRADE BY COUNTRIES.

Germany continues to be Russia's best customer, taking first place as regards both imports and exports, and the trade is constantly growing, 1907 marking a notable advance over the preceding year. Trade with the United Kingdom, while important, does not show much increase. In imports the United States occupies third place.

The imports into and exports from Russia through the European frontier, including the Black Sea and Finland, for the leading commercial nations during 1906 and 1907 are shown in the following table:

Country.	Imports.		Exports.	
	1906.	1907.	1906.	1907.
United States	$23,201,265	$27,444,865	$2,931,380	$3,979,405
Austria-Hungary	10,975,165	12,161,725	23,198,175	21,929,730
Belgium	3,712,120	4,655,600	21,284,950	19,184,780
China	9,549,645	8,147,300		
Denmark			15,848,095	15,406,740
East India	4,783,835	5,903,960		
Egypt	6,292,270	6,603,600	1,314,280	1,760,785
France	14,509,610	14,726,940	39,400,590	37,778,340
Germany	139,250,850	160,369,455	146,234,250	149,543,125
Italy	5,546,550	6,716,630	26,758,885	17,744,325
Netherlands	6,788,215	5,947,735	55,598,885	58,879,435
Norway	3,081,245	4,079,850	3,266,645	3,851,170
Roumania			9,055,245	6,978,250
Sweden	3,344,925	5,793,235	4,938,850	4,267,805
Turkey	3,426,295	3,931,020	7,512,305	9,336,950
United Kingdom	53,773,725	58,856,260	116,096,965	117,816,560
All other countries[a]	29,182,719	31,913,800	38,516,300	39,714,322
Total	317,418,434	356,651,955	511,955,800	508,171,712

[a] Includes imports from Finland into Russia valued at $16,471,245 in 1906 and $15,070,445 in 1907; also exports from Russia to Finland amounting to $24,347,655 in 1906 and $25,888,535 in 1907.

WHAT RUSSIA BUYS.

Of the articles imported into Russia in 1907 through the European frontier, including the Black Sea and Finland, raw cotton was the largest item, being valued at $42,539,000. Machinery and parts took second place with a value of $33,285,995, followed by wool worth $23,091,055; tea, $15,219,795; coal and coke, $15,211,555; and fish, $13,055,765. The articles of import in 1907, in detail, are shown in the following statement:

Articles.	Value.	Articles.	Value.
Articles of food and drink:		Raw and half manufactured goods—Continued.	
Caviar	$2,109,440	Tin	$4,384,710
Cereals	6,189,785	Wool	23,091,055
Coffee	3,267,675	Zinc	1,192,740
Cacao	905,885	Manufactured articles:	
Fish	13,055,765	Arms	932,150
Fruit and vegetabl	5,489,900	Books and pictures	1,091,800
Mineral water	624,695	Brass articles	2,352,005
Olive and sweet oil	1,387,925	Carriages	1,790,655
Rice	1,188,620	Chemical products	8,839,795
Spices	1,795,805	Cosmetics	1,391,015
Spirits	2,224,285	Cotton goods	4,065,925
Tea	15,219,795	Dry goods	2,374,150
Tobacco	965,745	Dyes	6,309,265
Wine	4,382,180	Electric cable	152,955
Raw and half manufactured goods:		Iron and steel ware	4,865,470
Beeswax	2,423,075	Knitted goods	2,212,955
Caoutchouc, raw	12,862,125	Linen goods	1,161,325
Coal and coke	15,211,555	Machinery and parts	33,285,995
Copper	2,280,420	Musical instruments	2,265,485
Cork	2,469,425	Physical apparatus	2,809,325
Cotton, raw	42,539,000	Railroad cars	613,365
Cotton yarn	4,510,370	Silk and half silk goods	2,121,800
Grain of cocoanut	4,465,050	Stationery	8,686,505
Grease and tallow	4,063,865	Tanning accessories	2,492,600
Hides	10,652,260	Tinware	2,622,895
Iron and steel	1,653,665	Tools	3,304,755
Jute, raw	3,379,215	Woolen goods	5,655,215
Lead	3,768,770	All other articles	43,373,345
Manuring substances	1,334,365		
Silk, raw (including) cocoons	9,652,645	Total	356,651,955
Timber	3,189,395		

COMPARISON OF PRINCIPAL IMPORTS.

The following statement shows the principal imports into Russia through the European frontier, including the Black Sea and Finland, during the past three years:

Articles.	1905.	1906.	1907.
Cereals	$1,505,345	$3,281,410	$6,189,785
Chemicals	6,876,280	7,671,955	8,839,975
Coal	11,886,200	13,333,350	13,261,260
Cotton, raw	34,459,165	36,627,315	42,539,000
Fish, herrings	7,100,305	8,851,305	12,277,085
Fruits and vegetables	4,003,350	5,236,005	5,189,900
Machinery	28,547,995	29,507,955	33,285,995
Rubber, raw	11,049,325	14,290,220	12,862,125
Stationery	6,701,180	8,343,515	8,686,505
Silk and cocoons	5,239,495	7,909,885	9,852,645
Tea	14,414,335	15,812,560	15,219,795
Wool	14,856,720	18,188,770	23,091,055

WHAT RUSSIA SELLS.

Of the exports from Russia through the European frontier, including the Black Sea and Finland, during 1907, the most important item was wheat, being valued at $80,031,000. Other large items were barley, worth $57,319,500; timber, $55,311,000; flax and flax tow, $33,511,565; eggs, $27,418,600; butter, $24,439,840; rye, $23,086,935; maize, $21,502,280; and naphtha and oil products, $14,555,960. The exports in detail were as follows:

Articles.	Value.	Articles.	Value.
Animals:		Raw and half-manf'd goods—Con.	
Bears and pigs	$1,549,120	Horse hair	$1,583,110
Horses	4,432,090	Iron ore	2,787,180
Articles of food:		Iron and steel	6,512,175
Beans and lentils	2,869,580	Manganese ore	4,766,840
Beet root	271,920	Oil cake	12,899,720
Butter	24,439,840	Oil—	
Caviar	1,065,535	Mineral	649,415
Breadstuffs—		Naphtha, etc	14,555,960
Barley	57,319,500	Peltry	8,390,380
Buckwheat	978,500	Platinum	3,568,435
Flour—		Poultry, live	3,487,580
Rye	4,254,930	Potash	610,275
Wheat	3,045,710	Rags	548,990
Furfur	11,285,240	Resin and tar	914,125
Groats	524,270	Rubber waste	630,875
Maize	21,502,280	Seeds—	
Millet	225,570	Colza	703,490
Oats	11,663,205	Flax	3,985,585
Peas	3,595,730	Forage plants	4,502,645
Rye	23,086,935	Hemp	945,540
Wheat	80,031,000	Silk, raw and cocoons	2,847,950
Eggs	27,418,600	Sweet root	494,915
Meat and poultry	3,223,900	Timber	55,311,000
Potatoes	392,430	Turpentine	1,263,810
Spirits	724,605	Wool, combed	3,055,495
Sugar	5,622,770	Manufactured articles:	
Tobacco	1,727,310	Bricks	232,265
Raw and half-manufactured goods:		Cotton goods	1,015,065
Bones	719,970	Flax and hemp articles	301,275
Bristles	2,539,980	Glassware	310,080
Cement	923,395	Iron and steel articles	414,060
Coal and coke	774,045	Machinery and parts	396,035
Copper	643,750	Porcelain and earthenware	431,670
Flax and flax tow	33,511,565	Rubber goods	2,382,950
Flax yarn	1,515,445	Woodenware	964,595
Feathers and down	936,270	Woolen goods	1,005,797
Hemp and hemp tow	7,587,495	All other articles	16,206,830
Hemp yarn	215,785		
Hides, undressed	8,977,480	Total	508,171,712

SHIPMENTS OF PRINCIPAL CEREALS.

In spite of poor crops, shipments of grain continued normal in 1905, dropped slightly with the famine harvest of 1906, but did not feel the full effect of the crop failure until all stores were exhausted in 1907. In the following comparative statement is shown the exports of the principal cereals during the past three years:

Cereals.	1905.	1906.	1907.
Barley	$45,629,515	$51,755,955	$57,319,500
Maize	4,135,450	4,731,820	21,502,280
Oats	46,495,745	26,473,575	11,663,205
Rye	23,508,205	25,182,885	23,086,935
Wheat	145,123,910	105,906,145	80,031,000
Total of these 5 cereals	264,892,825	214,050,380	193,602,920

Practically all grain exports, except oats, go through the Black Sea ports, of which the most important are Odessa, Nicolaev, Kherson, and Rostov on the Don. Oats and flour are exported largely through the Baltic ports, particularly St. Petersburg, Reval, and Libau. The Baltic ports and Archangel ship lumber, while practically all oil comes from Batum. St. Petersburg is the principal port of import for coal and unworked metals, other western ports importing lesser quantities. The largest imports of machinery pass over the German frontier. About 81 per cent of all wheat exported went through the Black Sea ports, the remainder going by way of Mariupe, Kerch, Archangel, Riga, and St. Petersburg.

CUSTOM-HOUSE BUSINESS—RAILWAYS.

The custom-house revenues for 1907 amounted to $136,672,245, or an increase of 10 per cent over the average receipts of the last five years. Of this total $122,992,300, or 90 per cent, was collected at the European frontier, including Finland and the Black Sea, and $13,679,945, or 10 per cent, along the Asiatic border.

The value of contraband goods seized during the year was $259,594, of which $187,657 came in over the European and $71,937 over the Asiatic frontier. Goods seized during 1906 were valued at $229,131, showing an increase of 13 per cent for 1907. The chief articles seized were tea, tobacco, sugar, spirits, cotton, wool and silk goods, arms, laces, linen, and ready-made clothes.

On January 1, 1908, the aggregate net mileage of the Russian railways was placed at 40,000 miles, of which the state works 27,000. The railways worked by the state were built either by the Government or by joint stock companies, from whose control they passed into the hands of the state. Construction by the Government was carried on from the general resources of the treasury and by means of loans specially issued to that effect. Upon the taking over of private lines all obligations of such lines, including supplementary remuneration of the stockholders, were transferred to the state, which generally covered such expenses by loans.

Since the war the activity of the Government in railway development has been confined chiefly to completing unfinished lines, consolidating those already in existence and replenishing the rolling stock. For 1908, however, extraordinary grants for railway con-

struction are asked, to the amount of $30,600,000. Of this sum it is proposed to devote $23,000,000 to the completion of the Moscow Metropolitan, the Perm-Ekaterinburg, and the western section of the Amur, and to the rebuilding of mountain sections of the Siberian; while with the remaining $6,400,000 the building of the Tumen-Omsk and East-Amurian lines will be undertaken and a second track laid over several sections of the Siberian.

On January 1, 1908, new regulations took effect on the state railways, providing for shorter service and longer hours of rest for all employees directly connected with the safety of travel. The sum of $500,000 was appropriated for the organization of a special hired guard of railway constables.

PRIVATE RAILWAYS—INLAND WATERWAYS.

The mileage of railways worked by private companies is about 13,500 miles. The Government receives from these railways either a fixed percentage of net profits, a fixed amount per verst (verst= 0.663 mile) exploited, or a fixed percentage of gross receipts. In the case of certain roads, should they close the year with a loss, the Government is obliged to advance money to guarantee the income. The principal systems in the hands of private companies are the Warsaw-Vienna, Vladicaucasus, Lodz, Moscow-Kief-Vorones, Moscow-Kazan, and various smaller lines. The rolling stock of all roads, state worked and private, was on January 1, 1904, 16,057 steam engines, 19,329 passenger carriages, and 351,822 freight cars. Russian works are capable of turning out 400 engines and 15,000 cars annually. The cost of construction of Russian lines is estimated at $76,500 per mile for European roads and $43,250 per mile in Asia. Originally wood fuel was used almost exclusively by Russian railroads, and it is still burned to a great extent. With the development of the oil wells naphtha came to be very popular, but that has now been largely replaced by coal.

European Russia possesses 76,500 miles of rivers, canals, and lakes, of which 16,680 miles are navigable for steamers, 8,015 for small sailing vessels, and 26,800 for rafts. A large portion of this inland system is frozen over or impracticable on account of floating ice during the better part of the year.

According to the census of 1900 the river fleet numbered 26,154 vessels, of which 3,295 were steam vessels. Crews engaged in inland waterways comprised 138,872 sailors. A flotilla of 57 steamers and 263 sailing vessels transports naphtha on the Caspian Sea, on which naphtha is quite generally employed. Siberia has 30,000 miles of navigable rivers and central Asia 2,000 miles.

RUSSIAN FAIRS.

The economic development of the country, the construction of railways, and especially the employment of commercial travelers, have all tended to diminish the activity of Russian fairs, which used to form so important a feature of domestic commerce. Nevertheless, a large number of fairs are still held every year, and the business transacted remains considerable. The Irbitskaya fair, held during February, near Tomsk, is a center of barter for all Siberia. Other important gatherings are those held in October in Kharkof, and the

Kontraktnaya, which takes place in Kief in the early part of the year. The principal Russian fair is, however, the Makariefskaya, which is held in Nizhni Novgorod during August. The situation of Nizhni, as well as the reputation of the annual gathering, makes it the meeting point of dealers in raw materials from eastern Russia and central Asia, and western tradesmen, who barter manufactured articles for the natural products required by industry. The goods annually brought to market amount to about $85,000,000 in value. The raw materials offered for sale include cotton, from Bokhara, Kokand, and Tashkend; Russian and Bokhara wool, of which large quantities are bought for American carpet weaving; horse, cow, goat, and camel hair; skins, furs, and hides. Through Nizhni the eastern provinces draw their supplies of cotton, woolen, and silk goods, ready-made clothes, iron, leather, paper, perfumery, rice, coffee, tea, sugar, fish, and dried fruits.

AGRICULTURE—GOOD CROPS IN 1907.

In European Russia the principal cereal cultures are rye, wheat, and oats, in Poland rye and oats, in the Caucasus wheat and barley, in Siberia wheat, rye, and oats, and in the steppes wheat. Nearly the total crop of potatoes is raised in European Russia and Poland, while the yield of hay is pretty evenly distributed over the whole territory.

After a series of good years poor crops were first noticed in 1905, rye in particular being very short. A small production of this cereal is always keenly felt, owing to the fact that peasants eat almost exclusively rye bread, very little wheat being consumed. This was followed by disastrous failures in 1906, especially in the rich black earth regions, the granary of Russia. Whole provinces were threatened with famine, and the Government spent about $120,000,000 on famine relief and in distributing seed. On the state railroads freight rates were reduced on shipments of grain to stricken regions.

Although no statistical data have at this time of writing been published for 1907, the crops were undoubtedly good, yet hardly as abundant as was prophesied during the first part of the year. Diminished exports of grain, much less than for 1905 and 1906, can not be taken as a trustworthy guide to the condition of crops, as on January 1, 1907, all stores of grain were exhausted, whereas shipments were maintained throughout the famine period with supplies remaining over from preceding years.

In the south of Russia the German Mennonite and Anabaptist colonists are quite prosperous, own large farms, and cultivate them according to most advanced methods. The Zemstvos encourage the use of machinery by buying implements at wholesale and distributing them on a credit basis to the peasants. Agricultural associations will probably play an important rôle in technical development, and there are already some 1,500 such societies in existence.

Cotton growing is receiving a great deal of attention and has been very successfully developed in Turkestan. American plants, which in 1890 represented only about 50 per cent of the culture, have almost entirely replaced the native cotton plants. Tobacco plantations cover about 175,000 acres and yield over 100,000 tons of leaf every year. Trans-Caucasia has about 250,000 acres under vines.

FOREST AND MINING OPERATIONS.

About 39 per cent of the total area of European Russia is heavily wooded; but to estimate, even approximately, the timber wealth of Siberia is impossible. In the Ural region, in Finland, and in the northern provinces forests cover over 60 per cent of the area. Of forest lands in European Russia no less than 64 per cent belong to the State, 23 per cent are in the hands of private property holders, and the remainder is divided among peasants, the Crown, and municipalities. Practically all of the Siberian timber stands on state property. The revenues derived from the sale of standing timber, and also of fuel, beams, planks, and other wood materials, have been estimated for 1908 at $30,119,000. Exceptional receipts are anticipated for 1908 on account of the heavy demand for Russian lumber in foreign markets in 1907. The value of lumber exported in 1907 was $55,311,000, against $50,367,000 in 1906 and $39,315,000 in 1905.

Russia's mineral riches are as varied as they are extensive, comprising all the common ores, as well as deposits of the rarest metals. The State possesses and works many mines, leases others to private companies, and in addition draws revenue from private mines patented on state lands. In 1907 the Government drew from the above sources the following sums: Oil fields, $4,938,850 (the Government has the option of taking payment in money or in oil products); gold mines, $[illegible]; and salt and mineral springs, $335,350. The minister of commerce and industry, under whose jurisdiction mines and mining lies, is particularly desirous of developing the extraction of useful minerals. To encourage this he announces the Government's intention of extending prospecting and official surveys to the following regions, supposedly ore bearing: Apsheron Peninsula, certain undeveloped districts of the Ural, South [illegible] Amur region, and the Russian portion of the island of Sakhalin. The exploration of the mineral riches of Sakhalin will be [illegible] undertaken, as it is realized that only by this means can be attained the economic development necessary to firmly bind the island to the mainland. Sakhalin was erected into a separate mining district under the direction of a district engineer.

[illegible]

The principal gold deposits in Russia are located in Siberia and in the Ural region. [illegible] ores has to be recorded in special registers [illegible] and controlled by district inspectors. [illegible] these records. Practically the whole [illegible] government gold melting laboratories for [illegible] of the state bank. After further [illegible] metallic fund for the [illegible] of gold [illegible] to government [illegible] 1907 was [illegible] private banks [illegible]

Gold mining has [illegible] effects, at least in so far [illegible] ficulty in securing labor [illegible] have, however, been keen [illegible] have met with important [illegible]

search for richer areas and the adoption of cheaper modes of extraction. This is especially noticeable in the development of quartz and even slime mining in the southern part of the Ural region and of quartz mining in the Semipalatinsk region of west Siberia, and also in the introduction of gold mining in the coast and east Amur districts, the success of which seems as yet rather problematical. English firms are active in eastern Siberia and have purchased a large number of mines. In 1907 the prohibition against private concerns working for gold with "private claims" on the extensive coast areas was removed, and a very active search, resulting in the patenting of numerous claims, was recorded. On the other hand, miners in the Priamur region, where the output has decreased, are facing a crisis, due to various causes.

The proposed abolition of the porto franco in Vladivostok and Nikolaiefsk can not but increase the difficulties of Siberian gold workers. The North Yeniseisk Tayga region, formerly so successful, is said to be in a precarious condition, only costly dredging keeping it alive. Obviously, the conflicting reports received from Siberia are to be explained by the fact that different conditions obtain in the various regions, and also by the efforts made to extend an industry which is not yet firmly seated in the districts already under operation.

Dredges made their appearance in Russia some five years ago, and there are actually about 50 in operation. Compared with the large number of streams which could be profitably dredged, this is very few. This form of mining, however, has not proved very successful, 45 out of the 50 machines being worked at a loss.

COAL MINING.

Coal mining is, on the whole, in a very prosperous condition and seems to have recovered from the crisis more completely than any other of the mining industries. The output of Russian coal mines during the past three years was as follows: 1905, 18,720,000 short tons; 1906, 24,210,000 tons; and 1907, 27,486,000 tons. The rapidly increasing consumption of mineral fuel is to be ascribed to the general industrial recovery and to the scarcity and high prices of naphtha, which has been replaced by coal to a great extent as motor power. This is notably true of the railroads and of large manufacturing concerns. The efforts of the Government to increase the consumption of Russian coal are also to be mentioned. Rates on shipments of coal from the Donetz basin were reduced on the state railroads and importations of foreign coal have been discouraged by a duty of $1.85 per ton in the Black Sea and of 46 cents on the western frontier. In 1907 the Baltic fleet purchased 99,000 tons of Donetz coal, instead of buying British coal, as heretofore. The contract was granted to the bid of the south Russian coal syndicate, "Produgol," established in 1906, which controls 50 per cent of the Donetz output. The exports of Russian coal in 1905 amounted to 58,536 tons; 1906, 102,762 tons; and 1907, 236,736 tons.

A standard life-saving station has recently been erected in the Donetz basin with modern respirators, machinery for making oxygen, etc. A school has also been opened with a view to training men in life-saving practices, and at the same time it is intended to put them in touch with improved and economical methods of practical mining. *The mine* owners send workmen to study by turns.

IRON PRODUCTION—PLATINUM OUTPUT.

The past year was signalized by unusually heavy exports of iron ore. In this connection the Trade and Industry Gazette publishes interesting data. In 1901 only 20,200 tons of iron ore were sent abroad. In 1903 the exports were 342,000 tons, and they reached 988,200 tons in 1907, distributed as follows: United Kingdom, 405,936 tons; Germany, 360,756; Netherlands, 141,174; Austria-Hungary, 57,924; United States, 7,470; and all other countries, 15,030. The greater number of shipments were made by sea from Nikolaief, although ore exported to Germany went over the Polish frontier after a haul of 4,800 miles.

Eastern Siberia is known to contain rich deposits of iron. Around Lake Baikal and the Upper Lena, magnetic, hematite, and pyrites ores, running from 51 to 60 per cent of metal, have recently been discovered. No attempt has yet been made to work them on a large scale, although the development of this region would offer an excellent connecting link between western Siberia and the coast district.

Russia produces 90 per cent of the world's total platinum output. The production increased from 11,016 pounds in 1904 to 12,687 pounds in 1906. The value of platinum increased steadily with the discovery of its chemical importance until October, 1906, when it reached $17,510 per pood of 36 pounds, the average price during 1905 being $13,648 per pood. The unsteadiness of the market is attributed to various causes, although unquestionably the financial depression in the United States accounts for the unfavorable condition.

Prices are fixed abroad, the platinum market being controlled by London and Paris firms, who buy up almost the whole output and dictate terms. Four firms in particular, which participate to a certain extent in each other's transactions, have agreements with the more important producers, taking their total yield and supplying cash in advance. Such a system insures a market which is appreciated by miners, as it was feared for some time that on account of the rise in prices gold would replace platinum. Such was not, however, the case and it now appears certain that there will always be a demand for platinum at any price. The principal disadvantage of this system of disposing of the stock is that Russians lose the profits. Just what this loss means is made clear by the statement that the same ore is sold for $2,000 more per pood of 36 pounds at New York than at Ekaterinburg. In addition producers reap no benefit from the rich metals, iridium, osmium, and rutenium, which are found with platinum, but are not reckoned in by the buyers.

In order to assure to Russians a more equitable share of the profits which accrue to foreign dealers, a movement has been set on foot to establish refineries in Russia. A few such are to be found, but their influence is insignificant. To found important plants is a difficult problem, and would require government aid on account of the complicated chemical processes to which the ore must be subjected.

MANGANESE, ASBESTOS, AND ASPHALT.

The manganese deposits in the Ural Mountains, of which so much was expected, have given only disappointing returns. The output for 1907 was still smaller than that in previous years. The ore is of good quality [illegible] poor [illegible] for working and there is no

market in the immediate vicinity. Competition with the ores of southern Russia and the Caucasus, where the yield is very satisfactory, is found to be impossible.

The Ural deposits of asbestos continue to give about 3,330 tons every year. Practically all of this is exported. Russian asbestos is, with that of Canada, of the most valuable quality. In 1899 the existence of the mineral was reported in the Altai Hills, in Siberia, and an expedition sent out to investigate. The reports were substantiated, and in 1906 a second expedition was sent to complete the researches of the first. After a detailed survey it appears that good deposits of the so-called serpentine asbestos were located. The veins, whose chemical composition is excellent, crop out at frequent intervals, and the fiber can be easily worked.

An abundant supply of asphalt has recently been discovered near Gagri, in the Caucasus, and a factory is being built in the Zhockari Valley to prepare the article for the home and foreign markets.

OIL INDUSTRY—BEET SUGAR.

The oil industry shared to a less degree than almost any other the general improvement which marked the past year. No industry suffered more severely or was as slow to recover from the industrial crisis. The production of crude oil amounted to 9,270,000 tons in 1907, against 8,748,000 tons in 1906. The production in 1901 was 12,708,000 tons.

The larger portion of the crude oil is refined by establishments located in the Caucasus, although some 350,000,000 pounds of petroleum are turned out annually by refineries in central Russia. For 1907 the total production of refined petroleum amounted to 3,170,000,000 pounds, of which 2,250,000,000 pounds were consumed by the home market, as against 1,404,000,000 pounds in 1906.

Fortunately the home market is good, and with more favorable industrial conditions sales should continue to increase. The demand is particularly heavy for naphtha, which is extensively used for motor power, especially by the railroads, and for residues. The residues, or so-called "mazut," are shipped in great quantities up the Volga into central Russia, where they are used for lubricating, fertilizing, etc.

Refining of beet sugar is one of Russia's most important industries and also one of those which the State has most carefully fostered. The principal refineries are situated in the Kief region, Poland and the Moscow district also containing plants. The introduction of sugar upon the home market is regulated by law. For each season of sugar boiling, September 1 to September 1 of the following year, the quantity to be thus issued is definitely fixed by the council of ministers on the basis of the yearly consumption, and this quantity is distributed among the various refineries. Should the rise in selling prices exceed certain limits the minister of finance authorizes supplementary issues.

The production of sugar for home consumption in 1906–7 amounted to 2,088,000,000 pounds, against 1,944,000,000 pounds in 1905–6.

TRADE WITH THE UNITED STATES.

The share of the United States in Russian trade, while more important than its share in the economic development of the Empire, is

hardly proportionate to its rank as a commercial nation. Shipments to the United States are insignificant, Russian customs-house statistics showing only $3,979,405 worth of exported goods, and placing it twelfth in Russia's list of customers. Small as is this figure, however, it represents an increase of $1,000,000 over 1906, when shipments amounted to only $2,931,380. As a matter of fact, Russian exports to the United States are greatly in excess of what these figures indicate, as is shown by the following statement giving the declared value of exports from the various consular districts of Russia to the United States during the past three years:

Districts.	1905.	1906.	1907.
Batum	$2,362,048	$2,768,718	$1,399,106
Moscow	4,989,145	6,952,951	6,309,588
Odessa	1,271,955	2,106,230	1,698,678
Riga	2,405,569	3,229,118	4,562,072
St. Petersburg	1,372,524	3,070,709	1,473,601
Vladivostok		840	29,138
Warsaw	92,953	251,578	346,799
Total	12,494,194	18,380,144	15,908,982

The difference in the figures of export is explained by lack of direct communication between Russia and the United States and the resulting shipment of goods to and from the United States by way of intermediate ports to which points of transfer the shipments are credited in official Russian statistics.

PRINCIPAL EXPORTS AND IMPORTS.

The principal exports are flax, horse fronts, wood pulp, wool, hides, bristles, and rubber waste from the St. Petersburg district; from Moscow, camel and horse hair, furs, hides, old rubber, and wool; from Batum, licorice root, manganese ore, rugs, sheepskins, and wool; from Warsaw, beet seed, flax, and tow; from Riga, flax, tow, hides, hair, hemp, rubber waste, and wood pulp; and from Odessa, ferro-manganese, fusel oil, potash, old rubber, tea, and wool. The lessened shipments to the United States during the past year are attributed principally to the money depression and its effects upon the buying ability of American manufacturers.

The imports into Russia from the United States during 1907 were valued at $27,444,865, against $23,201,265 in 1906 and $21,030,000 in 1905. The principal American articles finding a market in Russia with their value in 1905, the figures being the latest available, were as follows: Flour, worth $217,000; hides, $343,000; copper, $953,000; reapers, $479,000; thrashers, $1,290,000; binders, $1,426,000; other agricultural machinery, $732,000; and raw cotton $12,826,000.

That the importation of American goods into Russia could and should be increased is undoubtedly true, and that this has not been done is to be laid at the door of American manufacturers themselves. Some few companies have made a serious effort to introduce their articles, and have in most cases been well rewarded, but the majority make no advances and meet demands in only a half-hearted way.

OPPORTUNITY FOR SALES OF MACHINERY.

The class of articles for which there is the most ample opportunity is machinery. In 1907 machines to the value of $33,285,995 were imported into Russia, an increase of $3,778,040 over the preceding year. Over one-half of this total was furnished by Germany, barely a quarter by England, and the rest fell to the lot of smaller exporters, chiefly in the United States.

The textile industry, with important centers around St. Petersburg, Lodz, and Moscow, is in a flourishing condition, and plants are replacing worn-out machinery. The imports of such machines increased from about $520,000 in 1906 to over $1,500,000 last year. Spinning and weaving machines come almost entirely from England, while those used in printing and dyeing are of German make.

Sewing machines are almost universally used in Russia, well-to-do families possessing improved models and peasants using hand machines. American firms have a good hold on the market, although much business is still in the hands of the Germans. Imports which were roughly $4,400,000 in 1906 undoubtedly reached $5,000,000 in 1907.

Americans are already selling large numbers of pumps, although here again they divide the field with German makes. Steam pumps, hand pumps, and portable fire pumps find a good market, about $600,000 worth of various kinds being introduced every year.

Gas and naphtha motors are in great demand, particularly in southern Russia, where naphtha is the favorite means of propulsion on the rivers and for railroads. In spite of the fact that coal tends to replace naphtha on account of the exorbitant prices of the latter, the importation of gas and naphtha motors increased from $600,000 in 1906 to over $1,000,000 for the past year.

In the course of a few years there should be good opportunities for dynamos, generators, and all sorts of machinery in use in power plants. When the natural resources of the country come to be utilized, the future of this class of imports will be assured.

OPENING FOR SALE OF AGRICULTURAL IMPLEMENTS.

The most lucrative field, and one in which Americans have every advantage, is that of agricultural machinery. From $3,000,000 to $4,000,000 worth of American farm implements are sold in Russia every year, and this figure could be doubled with the greatest facility. Competition comes from England and Germany and in the case of smaller implements from Russian factories, and more especially blacksmiths. English and American articles are about equivalent, as far as prices are concerned, while the German machines are cheaper.

From the standpoint of farming conditions Russia is divided into two separate districts—the first comprising the Black Earth regions, the districts south of Kief, Siberia, and the Steppes, and the second, northern Russia, Poland, and the Baltic Provinces. In the first-named territories farming is conducted on an extensive scale, the soil is very rich, and there are many colonists, chiefly Germans, who cultivate large tracts of land. The principal cultures are wheat, rye,

barley, and oats. There is a wonderful opportunity for American harvesters, reapers, and disk plows, which, owing to the similarity of American farming conditions, are much better adapted to the needs of the country than are the German machines. Machinery is quite generally employed by the prosperous German colonists and its use is being encouraged among the Russian peasants. To that effect the zemstvos buy implements in large quantities for distribution on easy terms among small farmers. In the second district, northern Russia, Poland, and the Baltic Provinces, quite different conditions obtain. Properties are smaller, the land is wet and grassy and cut up by frequent ditches which render the use of heavy harvesters and reapers impracticable. The disk plow gives little satisfaction, something on the order of the "prairie breaker" being needed. With a little adaptation, however, American machines would find a good market even here, where the peasants are industrious and for the most part prosperous. The regions surrounding Moscow are exceedingly fertile.

DAIRY IMPLEMENTS IN SIBERIA—MILLING MACHINERY.

There is a splendid opportunity for dairy implements, especially in Siberia, where the dairy industry is very important. Large cooperative creameries handle almost the entire output, most of the work being done by hand. With the development of the country and the constantly growing demand in London for Siberian products, modern apparatus will have to be installed, and a good market will undoubtedly be noted in the next few years. At present the imports of American churns are insignificant.

Another infant industry whose development will offer a good market is flour milling. Makers of milling machines would do well to get in touch with wheat and rye flour mills. The demand for artesian wells is also reported to be on the increase. All sorts of small tools, fittings, and so-called "American inventions" could be laid before Russian buyers with profit. The opportunities for American tissues are limited by the very prosperous native industry. In the event of the high-class American shoes entering Russia the American article will have to be made heavier and warmer for winter wear in the north.

BATUM.

By Consul William W. Masterson.

As Batum is the port of egress for the Russian oil fields of Baku, petroleum is the largest item of export, and while the returns of 1907 show a slight increase over the preceding year, still there is a considerable difference in the volume exported now and that of several years ago, as the following table shows:

Year.	Gallons.	Year.	Gallons.	Year.	Gallons.
1902	289,713,582	1904	277,543,897	1906	111,597,609
1903	277,662,053	1905	132,347,246	1907	133,464,912

In spite of the distressing state of business throughout this district, a British merchant, located in Tiflis for over twenty years, in discussing the trade conditions of the Caucasus, says that there is a demand for all articles in the hardware line and household utensils, steel in most of its branches, iron and brass, bedsteads, earthenware, tin, sulphate of copper, chemicals, saws, agricultural machinery, tools of every description, belting, leather, and cotton goods, machinery of various descriptions mostly for the petroleum industry at Baku, steam, gas, and petroleum engines, boots and shoes. The greatest exporters in these lines are Germany and the United States.

IMPORTS AND EXPORTS.

The imports into Batum during 1907 are shown by quantities in the following statement, values not being obtainable:

Articles.	Tons.	Articles.	Tons.	Articles.	Tons.
Bricks and fire clay	6,682	Colonial goods	981	Sulphate of copper	472
Cereals	525	Copper, iron, etc	1,689	Tea	8,837
Chemicals, paint, and oil	1,846	Machinery	1,848	Tin and lead	466
		Stone and marble	9,422	Tin plates	8,871

The total value of exports from Batum in 1907 was $19,864,878, distributed among the following countries:

Countries.	Value.	Countries.	Value.	Countries.	Value.
United States	$1,399,106	Germany	$2,432,479	Spain	$135,550
Austria	100,892	Greece	5,506	Turkey	3,107,479
Belgium	2,027,572	Italy	613,478	United Kingdom	2,932,524
Egypt	1,842,128	Persia	10,498		
France	5,175,900	Roumania	81,766		

Of the principal articles of export from Batum in 1907, petroleum was the largest item, being valued at $11,680,699, followed by cocoons to the value of $2,033,561, and manganese ore worth $1,467,273. The following statement shows the chief exports, by quantities and values, during 1907:

Articles.	Value.	Articles.	Value.	Articles.	Value.
Carpets	$869,348	Petroleum	$11,680,699	All other articles	$1,296,414
Cocoons	2,033,561	Sheepskins	190,067		
Grease and flour	9,739	Timber	291,600	Total	19,864,878
Licorice root	448,005	Walnut logs	924,921		
Manganese ore	1,467,273	Wool	653,251		

TRADE WITH THE UNITED STATES.

In regard to the quantity and value of American goods imported into this district it should be noted that all such goods are transshipped from the different European ports of Liverpool, Hamburg, Marseille, and Naples, and not a pound comes through by direct steamer. This being the case the goods received from these ports are entered from and credited to the respective countries in which these cities are situated.

The value of the exports from Batum to the United States during 1907 was $1,399,106, against $2,768,708 in 1906 and $2,362,048 in 1905. The decrease of $1,369,602 in 1907 from 1906 may be ascribed to stoppage of business generally in this country and the hard times in America during the last three months of the year, to the prevalence of cholera throughout the districts from which a great proportion of the wool and skins are procured, and to the effect of the famine, which drove thousands of people from their homes and rendered other thousands unfit for work and production of any kind.

Of the leading articles exported to the United States from Batum in 1907 wool was the largest item, reaching in value $653,251, and in 1906 to the value of $1,440,575, a decrease of $787,324. Licorice root was the next largest item of export to the United States, its value being $448,005, against $621,433 in 1906. The export of sheepskins fell from $453,570 in 1906 to $190,067 in 1907. There was but one shipment of manganese ore to the United States last year, the value being $19,573, while for 1906 the shipments amounted to $115,873.

CLASSIFICATION OF EXPORTS.

In the following table are given the declared exports from Batum to the United States during the past three years:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Almonds	.....	$3,090	$9,435	Rugs	$114,020	$95,137	$69,429
Camel's hair	.....	21,713	.....	Sheepskins	163,665	458,570	190,067
Champagne wine	$1,290	3,170	.....	Wool	1,481,372	1,440,575	633,251
Clover seed	.....	11,208	9,417	Other articles	3,877	2,939	6
Licorice root	410,327	621,433	448,005				
Manganese ore	187,497	115,873	19,573	Total	2,362,048	2,768,708	1,399,106
Raisins	.....	.....	19,928				

For the port of Batum in 1907 there were cleared 445 steam vessels, with a total tonnage of 772,266 tons, and 1,216 sailing vessels of a total tonnage of 24,463 tons. Of the number of steam vessels cleared 175 were tank steamers loaded with oil.

MOSCOW.

By Consul Samuel Smith.

The declared exports from the Moscow consular district to the United States for the year 1907 show a decrease of $1,963,806 as compared with 1906, and of $1,320,443 as compared with 1905. This large decrease was due to the depression in trade in Russia and the United States.

As to the values of imports into the Moscow consular district from the United States no statistical data are available, the imports being credited to the seaports from which the goods are transshipped. The importation of American agricultural and mechanical machinery and implements in 1907 was not as large as in previous years. Events of the past few years still have a depressing effect on industrial affairs.

In the following table are given the declared exports from the Moscow consular district to the United States for the past three years:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Church articles	$813	$5,161	$1,706	Hides and skins—Continued.			
Crash	.....	27,721	9,020	Squirrel	$102,802	$158,658	$118,609
Flax	.....	15,541	33,860	All other	83,047	22,624	36,222
Furs	322,731	121,998	140,259	Linen	15,009	10,202	.....
Glycerin, crude	3,874	20,875	15,529	Liquors	1,239	1,298	1,500
Gold thread	718	5,175	.....	Lycopodium	7,686	1,634	1,037
Hair:				Mushrooms	.....	161	2,270
Camel	589,561	556,498	469,637	Rubber shoes, old	186,291	242,499	250,123
Horse	163,104	212,545	121,361	Sheepskin coats	58,351	29,493	22,769
All other	68,860	77,493	.....	Silverware	3,730	9,245	8,063
Hides and skins:				Soap and perfumery	2,110	494	1,638
Cattle	31,439	125,270	14,162	Wool	1,154,134	966,969	651,911
Horse	113,401	239,198	212,334	All other articles	20,512	31,896	12,056
Calf	2,218,299	2,153,626	1,701,174				
Colt	65,046	248,409	23,553	Total	6,309,588	6,952,951	4,989,145
Goat	475,641	788,729	682,890				
Lamb	249,918	242,065	169,566				
Sheep	370,749	637,474	287,896				

In order to do business in this country it is essential that American business men should understand local conditions. Long credits should be given on purchases of goods obtainable elsewhere, while for goods not obtainable elsewhere cash may be demanded. Great caution is needed in answering letters from local irresponsible agents. Such agents will accept as many goods as manufacturers will send them, provided no cash is required. There are many responsible firms here with whom it is perfectly safe to deal.

The Singer Sewing Machine Company in Podolsk has increased its factory and employs about 600 workmen. The New York Air Brake Company at Lubertzy, near Moscow, is manufacturing different kinds of machinery. They employ about 300 workmen. The Westinghouse Electric Company has large electrical works in Moscow and employs about 500 workmen.

ODESSA.

By Consul John H. Grout.

The commercial and industrial conditions in the Odessa district, as compared with former years, continue to be unsatisfactory. The underlying cause of this state of affairs may be ascribed to lack of free capital, a high rate of interest on available funds, and the need of ample credit. The lack of credit arises from an all-round depreciation of immovable property, so that a man who had borrowed on his property to the extent of 65 or 70 per cent of its value, and who, in the case of large estates, might have been a wealthy individual in the ownership of the remaining 35 or 30 per cent, has suddenly found himself absolutely penniless, owing to the property depreciating one-third in value, while the rate of interest on the debt had risen. Forced sales, with the result that in many instances property changed hands at sums much less than the amount of the mortgages, is the story told by many unfortunates.

Those possessing ready capital feel averse to parting with it except on conditions which are almost prohibitive. This is particularly hard for some of the younger industries, for instance, metallurgy in southern Russia, which has barely found time to take a firm root. It was at first favored by a strong local demand for its products and at remunerative prices, upheld by a protective duty. The demand, owing to the causes given, fell off until there was overproduction and such a fall in prices that the accumulated produce was forced to seek foreign markets. The last four years witnessed the following aggregate exports of cast iron, iron, and steel: In 1904, 1,008 tons; 1905, 10,494 tons; 1906, 44,946 tons; and 1907, 260,496 tons. These three articles were exported almost equally, if anything steel slightly predominating. Mining suffered less than metallurgy, for the reason that it employs a larger proportion of unskilled labor than other industries, and of such labor there was an abundance, due to poor harvests forcing many agricultural laborers to seek work in other spheres. Important among the products of mining in this district is that of manganese ore, of which 275,400 tons were mined in 1907 as against 219,600 tons in 1906. Of this amount 91,800 tons were exported.

DEPRESSION IN SUGAR AND COAL BUSINESS.

The sugar industry, one of the oldest and most important in this district, also had a hard time. In this instance the growing demands of the laborers for higher wages and better subsistence have enhanced the cost of production, which the manufacturers have vainly striven to counteract by introducing improved methods. A sugar-refining company in this district, one of the oldest, best conducted, and largest works in Russia, had to suspend payments with over $1,500,000 uncovered liabilities. In this case, however, the interested parties and the creditors have combined and are trying to devise means to continue the existence of the concern. Two years ago it produced in one season over 50,000 tons of high-grade refined sugar. The all-round retrenchment in industries has had the further result of leaving a considerable proportion of the mineral fuel mined here without local consumers. For this reason appreciable quantities of coal have sought and found foreign markets. Recently the Vienna municipality concluded a large contract whereby Russian coal is to be provided.

Labor is passing through a peculiar phase. Nearly everywhere one can witness the spectacle of numerous persons in need of relief, yet refusing work below a certain rate of wages. The actual suffering experienced by the unemployed is difficult to gage, but it may be imagined from the fact that breadstuffs are nearly double the value demanded in the past. As a result of these high prices there is little exportation of cereals, especially wheat, and fewer cargo ships visit the ports of this district than heretofore.

A fair proportion of the imports into this country of American goods find their way here via Germany, being either transshipped from Hamburg or coming here from Germany overland. Owing to this it is almost impossible correctly to estimate the volume of this trade.

PRINCIPAL IMPORTS AND EXPORTS.

Among the chief imports into and exports from Odessa for the past three years are the following:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
IMPORTS.				EXPORTS.			
	Tons.	*Tons.*	*Tons.*		*Tons.*	*Tons.*	*Tons.*
Agricultural machinery	630	189	347	Barley	256,640	354,194	310,134
Canned fish	867	1,261	1,400	Beans	12,129	8,861	11,628
Castor seed, copra	15,647	15,811	20,987	Caviar	1,443	1,393	1,610
Grape wine	1,494	481	46	Maize	25,897	81,666	581,929
Hand tools	669	685	999	Mineral oil	802	461	193
Hoop iron	157	174	81	Oak staves	1,935	8,151	16,045
Lead	4,348	664	2,781	Oats	17,243	7,983	2,385
Leaf tobacco	628	76	68	Oil cake	30,679	35,298	22,617
Automobiles	625	297	716	Oxen	1,270	338	156
Paints and dye stuffs	2,081	1,437	748	Peas	17,220	21,508	29,539
Raw cotton	11,942	17,131	22,712	Raw hides	644	949	605
Raw jute	4,512	3,829	5,099	Rye	171,187	333,945	85,018
				Salt fish	5,131	3,105	2,864
				Sheep	1,667	260	171
				Wheat	809,417	906,847	362,610
				Wheat flour	41,616	36,123	25,818
				Wool	1,634	1,812	2,632

EXPORTS TO THE UNITED STATES.

The following table shows the declared exports from this consular district to the United States for the three years ending December 31, 1907:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Camel hair	.....	.....	$2,340	Raisins	.....	.....	$26,637
Caviar	.....	$10,009	108	Rubber, old	$240,454	$102,057	287,836
Ferro-manganese	.....	751,479	514,376	Seeds	110	487	3,606
Fusel oil	$80,677	84,410	45,740	Sheep casings	798	1,029	.....
Glue stock	21	.....	10,718	Silk, Chinese	.....	270	6,865
Glycerin	.....	.....	22,773	Tea	31,698	51,220	81,070
Hides	48,973	2,590	984	Tin	.....	8,455	.....
Hog bristles	.....	.....	1,955	Tobacco	1,660	2,933	2,701
Horse hair	1,668	21,664	2,320	Wool	821,903	1,929,321	653,711
Mushrooms	754	1,864	64	All other articles	27,792	18,010	10,660
Potash	15,437	20,440	22,926				
Prepared fruit	.....	.....	1,288	Total	1,271,945	2,106,238	1,698,678

RIGA.

By CONSUL ALEXANDER WEINGARTNER.

The foreign trade of Riga for 1907 compared with 1906, a record year, shows a decline in round figures of $18,800,000, the totals being $119,740,736 for 1907, against $138,546,488 for 1906. The exports for 1907 were $67,240,260, and $80,304,445 for 1906, a decline of $13,064,185, and the imports $52,500,476 for 1907 and $55,858,017 for 1906, a decline of $3,357,541.

The export business was not of a profitable nature, although there were exceptions; the flax trade with a smaller turn-over than in 1906 yielded better results. The chief complaints were heard from the lumber trade, in which retrograde prices affected business most unfavorably. The grain trade threatens to become a vanishing quantity. The average export of grain for the 5 years 1901–5 was 142,024 tons and for 1907 only 29,000 tons. There being no direct lines of com-

munication with the United States imports do not appear, but their quantity is by no means small and they have a tendency to increase, the chief articles being agricultural machinery, rosin, cotton, and hardware. Other articles which should figure as imports from the United States are boots and shoes, hats, notions, etc.; gas engines, both for marine and industrial purposes.

DEMAND FOR MARINE MOTORS.

There is a demand springing up among the fishing population for a cheap and serviceable motor. At a fishermen's congress recently held in Riga a resolution was passed advocating the use of explosive gas engines in the native craft. Trials have already taken place with motors of Swedish origin. The Russian Government has asked for credits for the purpose of establishing along the coast harbors of refuge for the fishermen. This measure when passed will increase the demand for motors, in the supply of which the United States should have a large share.

Industries in this consular district have now recovered from the effects of the late labor troubles. Even the local car works, which during the last few years have complained of dull times, are fully occupied in filling orders for passenger cars for the Italian Government and on Russian Government work. The textile branches have recorded a prosperous year, and the iron industry was unusually active. The city is growing in all directions, and the electric tram company is aiding the movement by an extension of its lines. The Government also is planning a new railroad bridge across the Dwina, a central passenger station, and an enlargement of the new export harbor.

The port was visited by 2,192 vessels, with a registered tonnage of 1,473,957 tons, of which 1,893, with 1,375,791 tonnage, were steamships. No American vessel visited the port.

The principal articles of import into and export from Riga during 1907 were as follows:

IMPORTS.

Articles.	Metric tons.	Articles.	Metric tons.
Chalk	32,071	Lead	6,725
Coal and coke	529,205	Machinery:	
Copra	11,236	Agricultural	8,334
Corkwood	6,865	Industrial	7,007
Cotton	12,144	Parts of	6,685
Fertilizer	60,820	Ores, sulphur pyrites	16,667
Herring	16,492	Rubber, raw	2,268
Iron and steel	7,973	Rosin	5,892
Jute	5,646	Sulphur	4,349
Lard	3,656		

EXPORTS.

Butter	18,223	Flaxseed	28,396
Cereals:		Flax and tow	99,886
Wheat	3,477	Hemp and tow	20,146
Barley	5,410	Hides and skins	12,839
Oats	3,196	Oil cake	52,355
Rye	14,837	Oils, mineral	6,046
Peas and vetches	2,028	Rubber, old shoes	580
Eggs	63,222		

The exportation of timber from this port in 1907 was 64,800,000 cubic feet.

SALES TO THE UNITED STATES.

Following are the declared exports from the port of Riga to the United States for the past three years:

Articles.	1905.	1906.	1907.
Books	$12,404	$15,422	$11,921
Brass ware, etc	15,462	9,226	10,009
Bristles	21,772	8,853	4,880
Butter	.....	.....	5,358
Flax and tow	110,935	168,379	37,737
Glue stock	.....	2,665	8,519
Hair, animal	.....	52,987	43,671
Hemp and tow	29,476	41,624	136,460
Hides and skins	1,882,175	2,730,189	3,697,145
Leather, glové	.....	11,629	22,595
Liquor	5,411	6,104	6,867
Potash	.....	.....	9,630
Rubber, waste	104,515	62,286	245,758
Seeds, grass	.....	11,092	4,728
Turpentine and oil	9,847	2,179	8,629
Wood pulp	18,885	74,036	225,396
Wool	185,799	25,671	14,354
All other articles	8,888	6,836	8,416
Total	2,405,569	3,229,178	4,562,072

ST. PETERSBURG.

By VICE-CONSUL-GENERAL WILLIAM DAWSON, JR.

This district comprises, in addition to St. Petersburg and its immediate environs, northern Livonia, Esthonia, the lake region, and Finland. Besides the consulate-general at St. Petersburg there are consular agencies at Reval, in Esthonia, and at Helsingfors, in Finland. St. Petersburg has 1,278,122 inhabitants, according to the last official census, taken in 1900, and 1,678,000 according to the present estimate of population. The foreign colony includes 13,300 citizens of the German Empire, 2,100 French, 1,950 English, and 41 Americans, according to the official register of the consulate-general.

No figures are to be obtained concerning the total exports and imports of this consular district for 1907, although from general reports it is apparent that they exceeded those of 1906. St. Petersburg is the most important port on the Baltic Sea; Helsingfors and Reval also have an active trade, as has Archangel on the White Sea. Reval is the only one of these ports which is open during the whole twelve months. Most of the goods passing through the last three ports are in transit either from or to central Russia, Moscow, and western Siberia, although a great deal of cotton is imported for use in the local cotton industry.

EXPORTS AND IMPORTS OF ST. PETERSBURG.

During the past year St. Petersburg exported 64,000,000 pounds of rye, 273,600,000 pounds of oats, about 100,000,000 pounds of rye flour, 121,680,000 pounds of wheat flour, 310,000,000 eggs, and 207,000 tons of lumber, and at the same time imported 1,944 tons of pig iron, 10,289 tons of iron, 2,484 tons of steel, 1,893,600 tons of coal, and 10,864 tons of machinery of various sorts. Reval shipped about *60,000,000* pounds of rye flour, and Cronstadt 309,600 tons of lumber.

Reval also imported 3,194 tons of iron, 864 tons of steel, and 5,000 tons of machinery. Archangel exported 435,600 tons of lumber. This consular district exported 22 per cent of the lumber sent abroad, 28 per cent of the oats, 50 per cent of the wheat flour, and 75 per cent of the rye flour. It received 40 per cent of iron and steel imported into Russia, 30 per cent of the machinery, and 45 per cent of the coal and coke.

Regular service by water is maintained during the summer months between St. Petersburg and the principal northern ports. Boats of 1,250 tons carrying freight and passengers leave for Stettin once a week. There is a departure for Lubeck twice a week and for Amsterdam every two weeks, more or less regular communications being kept up with Stockholm, Copenhagen, and London.

St. Petersburg is an important manufacturing center and is fast acquiring a numerous industrial population. Among the many factories which surround St. Petersburg and give it the appearance of an English manufacturing center are to be counted no less than 30 cotton spinning, weaving, and printing mills, 2 large breweries with a combined output of from 800 to 1,000 cartloads a day, a stearin candle works, a petroleum refinery with a yearly output of 150,000 barrels, several iron rolling mills, vegetable oil plants, and 10 paper mills, which prepare paper of all sorts. The largest metallurgical enterprise in Russia, situated in St. Petersburg, paid out for operating expenses during the year $8,968,680, and sold manufactured products to the value of $9,345,792. Following are its items of sale: Railway engines and tenders, $3,090,000; car department, $1,030,000; mechanical department, $2,060,000; metallurgical department, $575,000; artillery department, $2,320,000; miscellaneous, $270,792.

AMERICAN TRADE.

The declared values of exports to the United States from this consular district were as follows:

Cities.	1905.	1906.	1907.
St. Petersburg	$1,283,754	$2,960,681	$1,271,892
Reval	45,224	18,085	82,641
Total	1,328,978	2,978,766	1,354,533

The principal items are hides, horse fronts, flax, iridium, lycopodium, and old rubber shoes and rubber waste. No statements of American imports are obtainable, although large quantities of American cotton and machinery find a market in this district. There is a good demand for industrial machinery in St. Petersburg factories.

FINLAND AND ITS COMMERCE.

The Grand Duchy of Finland has preserved the old Swedish constitution of 1772, modified in 1869 and 1882, and reformed in 1906. The Grand Duke is the Czar of Russia, but Finland h[illegible] administration and a distinct legislative assembly, which c[illegible] on any matter not affecting fundamental laws or the [illegible] land and sea defense. The right to vote was ex[illegible] every man and woman 24 years of age. Accordi[illegible]

census, 1900, the population was 2,816,500, composed of about 2,400,000 Finns, 360,000 Swedes, 6,000 Russians, and a few Germans, Laplanders, etc. Finland employs the metric system of weights and measures. There are about 300 savings banks and 1,500 post-offices.

As regards foreign trade, Finland forms a separate customs territory and Finnish goods pay duty at the Russian frontier, and vice versa. The imports and exports of the principal articles dealt in are declared by Mr. Sandström, of the consular agency, to be as follows:

	1906.	1907.
IMPORTS.		
Agricultural and dairy machines	*Pounds.* 6,174,000	*Pounds.* 8,070,000
Cement	87,424,000	123,800,000
Coffee	26,386,000	26,316,000
Cotton	14,726,000	15,290,000
Flax	3,302,000	2,664,000
Flour and shelled grain	496,534,060	475,300,000
Grain	224,680,000	193,424,000
Iron:		
Pig and cast	20,140,000	37,678,000
Manufactured	23,600,000	46,064,000
Plates	19,154,000	23,122,000
Machines and parts	18,542,000	30,496,000
Manure	35,354,000	39,256,000
Rags	5,616,000	8,164,000
Rails	36,094,000	31,188,000
IMPORTS—cont'd.		
Sugar	74,750,000	77,610,000
Tobacco, raw	8,662,000	8,922,000
EXPORTS.		
Bobbins ..... tons..	6,124	6,255
Butter ..... pounds..	30,112,000	25,424,000
Oats ..... tons..	7,994	6,642
Paper ..... do....	60,507	76,405
Pasteboard ..... do....	40,829	37,825
Prop wood and pulp wood ..... cubic feet..	41,195,844	43,352,875
Lumber, sawed ... do....	79,881,876	73,210,213
Wood pulp, dry ... tons..	32,103	22,236
Wood pulp, sulphite, tons	13,283	30,258

The greatly increased imports of iron and machinery are to be attributed to the general prosperity of Finnish industry. The Finnish mercantile marine included in 1906 2,536 sailing vessels and 351 steamers, with a total tonnage of 352,314 tons.

Finland is particularly fortunate in its inland waterways, being endowed with a system of lakes and canals communicating with the Gulf of Finland, over which the traffic is very heavy, over 40,000 vessels in the course of the open season passing over these waters. The Finnish railway system is distinct from the Russian, there being relatively few connecting tracks. The Finnish lines had in 1906 a total mileage of 4,832 miles, of which only 479 miles were in private hands. The traffic upon the state railways in 1904 was 8,790,000 passengers and about 3,000,000 tons of goods, the receipts $6,260,000, and the expenditures $5,320.000, leaving a profit of nearly $1,000,000.

AGRICULTURE AND INDUSTRY.

About 63 per cent of Finland's 125,784 square miles are covered with forests and 11 per cent of the territory is represented by lakes. The remaining land is divided into small farms, as follows (1901): Less than 12½ acres cultivated, 33,755; 12½ to 62½ acres, 62,677; 62½ to 250 acres, 23,983; and more than 250 acres, 2,433; total, 122,848. The principal cultures, in the order named, are oats, potatoes, rye, barley, wheat, flax, and hemp. An income of over $1,000,000 a year is derived from crown forests. The crops for 1907 were small and of poor quality on account of prevailing wet weather during harvest time.

The past year has, in most respects, been a prosperous one for Finnish industries. The general rise in wages has increased the cost of production, but this was more than compensated by the active market, whose demands it was difficult to supply, in some cases factories being unable to execute orders. The manufacture of paper from wood pulp

is one of the principal industries. Cloth paper is also made, as is indicated by the importation of over 8,000,000 pounds of rags during the year. Paper mills did a splendid business up to the winter months, when orders for printing and finer kinds of paper fell off rather abruptly.

The lumber industry is in a thriving condition. In order to lessen the effects of the increase in wages, many sawmills have installed sulphite wood pulp factories, in order to utilize sawdust and other waste products. The textile industry is also flourishing, cotton, linen, and woolen mills all reporting a successful year.

TRADE WITH THE UNITED STATES.

The declared values of exports to the United States through the consular agency at Helsingfors were as follows: For 1905, $43,546; for 1906, $91,944; and for 1907, $119,069. The principal items are sulphite wood pulp and skins.

As for American trade, cotton and machinery are the leading imports. The means of extending American commerce with Finland are suggested in the general report on Russia, although it should be remembered in preparing literature and price lists that Swedish is the official and commercial language.

Following is a comparative statement of declared values of exports to the United States from the consular district of St. Petersburg, including consular agencies of Reval and Helsingfors, covering the calendar years 1905, 1906, and 1907:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Boltrope	$19,591	$26,570	$23,237	Hides and skins:			
Books	2,620	3,353	3,317	Horse	$113,728	$340,639	$6,085
Bristles	146,575	174,166	95,711	Calf	315,420	401,983	421,637
Brushes	2,301	1,410	563	Colt	50,061	144,655	16,307
Camel wool			5,923	Goat	101,732	89,224	19,881
China ware	1,013		3,573	Lamb		75,979	14,937
Cork shavings			17,205	All other	3,819	106,066	
Ecclesiastical goods	1,110	247	1,783	Sporting articles	1,016	1,839	879
Fish bladders	5,444	6,404	8,946	Sulphite wood pulp	25,746	62,335	105,259
Flax	219,194	326,598	26,858	Tow	52,164	55,836	23,360
Hair:				Turpentine	1,853		1,906
Cattle	50,582	16,991	2,748	Wool		370,702	81,352
All other	48,836	23,062	63,121	All other	185,305	494,122	178,450
Horse fronts	24,414	348,578	350,564	Total	1,372,524	3,070,709	1,473,601

WARSAW.

By Consul Hernando de Soto.

The industrial conditions of Russian Poland during the year 1907 were not good. An authority on statistics estimates that the total value of the products of Warsaw and Lodz, the two most important industrial cities of Poland, decreased 25 per cent, while in other manufacturing districts the output during 1907 fell 50 per cent under the figure of a normal year.

In Sosnowice, the coal mining district, the annual production decreased from $13,647,500 to $10,042,500; at Czenstochowa, where jute, iron goods, and paper are leading industries, the decline was from $5,665,000 to $4,892,500; and the product of cotton and wool yarn at Zgierz fell from $2,420,500 to $1,802,500. Moreover, the manufacturers of cotton and woolen goods at Lodz had the keenest competition from similar industries in Moscow, and lost the majority of Russian

markets, goods from Lodz being higher in price than the Moscow product, because Lodz manufacturers were compelled to increase wages by 40 to 50 per cent.

STRIKES AND LOCKOUTS INJURE TRADE.

Following this painful experience, Lodz manufacturers formed a union, and, assisted by the authorities, began to reduce wages. As a result, the last three months of 1907 witnessed a series of strikes and lockouts, which almost invariably ended in the defeat of the workmen.

In Warsaw the principal injury was done to the boot and shoe trade between that city and Russia. Before 1906 Warsaw shoe manufacturers sold cheap boots and shoes to other parts of Russia to the value of about $4,635,000 annually. Owing, however, to disturbances, orders ceased from Russia and the factories lost the greater part of this trade.

The building trade in Poland also suffered severely, especially in Warsaw, where prior to 1905 about 300 houses were erected or rebuilt yearly, giving employment to about 15,000 men, women, and boys. Masons demanded an eight-hour day and wages of $1.25 daily, irrespective of the number of bricks laid. Thus contractors were compelled to refuse orders for new houses, with the result that not a single house was built in Warsaw during 1907, excepting a few government buildings erected under military protection. This state of affairs led to the compulsory idleness of carpenters, roof coverers, plumbers, bricklayers, stove makers, etc., and the closing of brick-kilns around Warsaw. Agriculture did not suffer, and developed under normal conditions.

EMIGRATION.

The lack of official emigration statistics renders it impossible to ascertain the exact number of people leaving this country in search of foreign homes. About 250,000 men and women left the country during March and April for Germany, Denmark, and Sweden, to return with their earnings to their homes in the autumn. A report having been spread that several shipping companies at Trieste would carry emigrants free of charge to Brazil, and that the Brazilian Government would distribute free land to immigrants, the emigration of Polish peasants and artisans to Brazil greatly increased. It is expected that during 1908 the current of Polish emigration will be diverted from North to South America.

From the Jewish emigration bureau at Warsaw it has been ascertained that the number of Jews who left this country was about 180,000 in 1905, over 350,000 during 1906, and about 100,000 in 1907. The exceptional increase of emigration during 1906 was due to the dislocation of trade in Poland. Most of those who emigrated permanently from Poland and Lithuania turned to the United States. Only those who had not sufficient means remained in England. Emigration has by no means impoverished the home country. The farm hands who temporarily emigrate to adjoining countries, particularly Prussia, carry back each year at least $5,000,000.

POPULATION AND LAND AREA.

On January 1, 1907, the population of the ten governments of *Russian Poland* amounted to 11,477,389 without the military forces,

and the density of population was 106.1 per square verst (0.663 square mile). In comparison to the previous year the population increased by 1.2 per cent. The population of Warsaw in 1904 was 768,000, while in 1907 it was reduced to 764,611, due partly to the high prices of the necessities of life and to the political movement which caused many to leave the city. The population of Lodz decreased from 1904 to 1907 by 14,000 inhabitants for the same reasons.

The birth rate in Poland is 37.7 per 1,000 inhabitants. The death rate averages 22 per 1,000. About 73 per cent of the total population of Poland are engaged in agriculture.

The area of Russian Poland amounts to 30,420,168 acres. On January 1, 1907, 13,864,286 acres, or about 46 per cent of the whole surface, formed small farms belonging to peasants, and 10,479,963 acres, or 34 per cent, belonged to landlords. During the ten years from 1894 to 1904 the estates diminished by 1,718,820 acres, which land was purchased by peasants.

INDUSTRIAL ESTABLISHMENTS.

At the beginning of 1907 there existed in Russian Poland 10,308 factories and industrial establishments, with 283,683 workmen, producing goods to the value of $221,752,920.

The yearly output of wool in Poland is sold at the Warsaw wool fair, which is held annually from June 19 to 21. The prices during the fair of 1907 were as follows: Fine washed wool, $50.05 to $59.32 per 100 pounds; inferior quality, washed, $46.35 to $48.92; unwashed wool, $3.60 to $4.63 per 36 pounds. The total amount sold at the fair during 1907 was 5,465 hundredweights.

The production of textiles, which embraces the manufacture of cotton, woolen, hemp, and silk goods, with its center at Lodz, is the most important industry in Poland. The average output in normal years amounts to $90,000,000 in value and represents about 40 per cent of the total value of all the industries in Poland. Of this total cotton goods yields $40,000,000; woolen goods, $43,500,000; hemp and flax goods, $6,000,000; and silk goods, $500,000.

The year was unfavorable to the woolen industry, and the output was reduced 50 per cent. The value of woolen goods produced was $28,500,000, exceeding that of 1906 by $5,000,000. Nevertheless, if compared with a normal year, 1907 shows a decline of $15,000,000.

REVENUE AND EXPENDITURES—THE LEATHER INDUSTRY.

The last statistics published by the Warsaw Statistical Bureau show that the government expenses in Poland exceed the revenue 7 to 14 per cent per annum. The average revenue is estimated at $44,200,000, while the expenses in 1907 were $50,750,000. Among the proposed public works may be mentioned a new central railway station, a prison to accommodate 500 prisoners, the reconstruction and enlargement of the central bridge over the Vistula, a central slaughter house equipped with all modern sanitary improvements, a drainage system for the suburb of Praga, and a new canal destined to carry coal from the Dombrowa mining district to Warsaw.

The average commercial discount in Poland in 1907 was 7 per cent for three months' notes, 7½ per cent for six months' notes, and 8 per cent for nine months' notes. At the end of the year the discount rose one-half to 1 per cent on account of the financial crisis in the United States.

In the ten governments of Poland there are, besides innumerable small workshops, 130 large leather factories, which supply the demand of the greater portion of the Russian Empire. Most of the important factories are situated in Warsaw and Radom, where sole leather is produced on a large scale. This article is held to be in no way inferior in quality to the foreign product. The factories produce an excellent quality of box calf, but the demand for this product is such as to allow of large imports.

The leather used in Poland and Russia was until recently prepared exclusively in Poland and is known as "Russian leather." The fashions of the West spread into Russia, and fine-grade leather superseded the common formely used. French firms were the first to do a successful business in glazed kid in Poland and Russia; then other countries followed, sending side leather, patent and colored leather, and box calf. The Germans were foremost in taking advantage of the situation during recent disturbances, not only conquering the market but in the absence of serious competition increased prices 15 to 25 per cent. This prompted Russian dealers to seek cheaper sources of supply in England and the United States.

A GOOD FIELD FOR AMERICAN LEATHER.

American glazed kid, although almost exclusively handled by German and French middlemen, is a keen competitor in this market on account of its excellent quality. A few American firms have now established local agencies at Warsaw. It is believed that if American tanners would offer easier conditions, particularly in the way of extended credits, a very large trade could be built up between the two countries. Also in box calf they could do much more on account of their reasonable prices if more care were bestowed on the tanning. Scars should be more thoroughly eliminated, and the edges of the hides trimmed so as to avoid an excess of waste.

American black glazed kid, although well tanned, is frequently defective, the surface being uneven. American imitation kid can also compete; however, the skins should be more carefully prepared and cleanly cut. This market demands a soft, chrome-tanned, glossy leather. France, Austria, and England supply a good quality. American colored glazed kid can compete in price. The tanning of the skins is satisfactory, but the dyeing is not uniform in shade. American colored imitation kid is not much known in Warsaw. This article comes principally from Germany, Austria, England, and France. The demand for foreign leather in Poland is steadily increasing, and there is undoubtedly an excellent opportunity for the American product.

Germany supplied $1,500,000 worth of enameled side leather in 1907, and $750,000 worth of colored sheep and goat leather. The United States ranked second with its black and colored glazed kid, valued at $1,000,000. France supplied $500,000 worth of glazed and $150,000 worth of imitation kid. Austria furnished colored kid and patent leather to the value of about $250,000.

In the opinion of one of the principal importers of foreign leather the United States has shown great indifference for the Russian market, being unwilling to give more favorable credit terms. If the dealers of the United States would go about it in the right way they *could command* the market.

THE SHOE AND FANCY LEATHER TRADES.

The shoe industry never before experienced in Warsaw such a crisis as that through which it passed in 1907. In consequence of the advance in wages and increase in the price of shoes there was a marked decrease in the regular orders from other parts of Russia. The production of shoes in Warsaw being thus reduced, other countries, chiefly Austria, secured the public preference.

The fancy leather goods industry deserves particular notice, as the manufacture and sale of such leather has reached a very high figure during the last ten years. The various kinds of leather required in this trade for the manufacture of furniture, traveling requisites, pocketbooks, purses, belts, etc., had an extensive sale during 1905, 1906, and up to the middle of 1907, when by reason of the overproduction a decrease of 10 to 15 per cent in price occurred. All accessories in connection with this trade, such as locks, clasps, chains, etc., are imported from foreign countries. Fancy leather goods are mostly manufactured in Warsaw, the entire demand of Russia being met by this city. Fancy leather used in the manufacture comes from Germany, Austria, England, France, and Belgium. This class of leather does not come from the United States, although its fine grades of furniture, carriage, and purse leather are well known. Germany gives from four to five months' credit. Colored and black sheep leather for furniture, bookbinding, and bags is prepared in Poland. Although the home product is cheaper, it can not compete in quality with the foreign.

Accessories for trunks, locks, patent bag clasps, and belt buckles of American make are well known for their excellence, and American manufacturers could build up a good business in these articles if the enterprise were well managed. It is believed that the United States could easily reach the German figure of import, which is estimated at $476,000 annually.

IRON AND STEEL GOODS.

The manufacture of iron and steel ware in Poland belongs to one of the most highly developed industries in the country. This development is mainly due to the unusually rich deposits of coal and ore in certain districts. There are 10 important iron factories, which produce iron bars, rails, girders, miscellaneous steel goods, screws, nails, locks, etc. These goods not only meet the demand in Poland, but also, to a great extent, that of Russia.

It is almost impossible in this branch of manufacture for foreign countries to compete, because of the almost prohibitive import duty. Only certain articles are imported, mostly hardware and fancy ironware, including steel and files of certain special makes.

The iron market in Poland was most prosperous five years ago, but during the recent years of unrest prices have fallen 25 to 40 per cent. The year 1907 was not prosperous. The demand for iron for construction purposes was limited. A feature which seriously hampered this industry was the increase in the price of coal by 35 per cent and coke 30 per cent. Large stocks were sold at a considerable loss. For example, rolled iron which cost $34.60 per ton to produce was sold at $32.70.

PAPER AND STATIONERY.

During recent years Poland has, next to Finland, made the greatest progress in the manufacture of paper in Russia, reaching the stage where it can compete with foreign manufacturers. There are 10 important paper factories, of which the annual output is estimated at $5,000,000. Large quantities of high grades of letter paper, pasteboard, etc., are still imported from foreign countries.

The stationery industry is practically undeveloped in Poland. There are in Warsaw two good-sized pencil and penholder factories which produce goods unsuitable and unsatisfactory to the demands of the trade. The demand for stationery in Poland, as well as in Russia, is supplied chiefly by Germany and England. Germany supplies pencils and penholders annually to the value of $714,000. Germany also supplies large quantities of ink and letter paper. England controls the market in steel pens and blotting paper, furnishing about $357,000 worth. The value of pencils imported from Austria is estimated at $190,400. With the exception of fountain pens, paper punches, typewriter supplies, duplicators, etc., there is no American stationery in this market.

WATCHES, CLOCKS, AND CELLULOID.

Watches come principally from Switzerland, which supplies almost the entire demand in Russia and Poland. This is due to the fact that in 1905 the largest wholesale dealers in Warsaw agreed, under a special arrangement with the Swiss and two German makers, to boom only their products, so that makers not listed in this agreement, in spite of cheaper prices, can not gain a foothold. France sends oxidized watches. American watches are not well known, and it is not believed that they will sell well on account of high prices and unfavorable conditions of payment.

Watch movements are imported in single parts, thereby lessening cost of duty. Plated watch chains are imported in large quantities from all countries. The estimated turnover in watches is $714,000; in chains and accessories, the same amount.

There is a large and steadily increasing demand in Poland for celluloid. Articles of this material manufactured in Poland have a ready sale on account of their cheapness. Celluloid in sheets of varying thickness is imported in large quantities and serves for the manufacture of miscellaneous articles, such as combs, shields for caps, hat and hair pins, buckles, etc. On account of the high duty the local make can successfully compete with the foreign manufactured article.

There are no factories in Poland manufacturing celluloid in sheets. The sheets used come from Germany, the value being estimated at $952,000. Only $476,000 worth of celluloid is supplied by England, in spite of its superior quality, because it can not compete in price with the German commodity. American celluloid, if it can compete in France, should meet with a ready market in Poland. There are four important celluloid-ware factories in this country.

TIMBER AND COAL.

Strikes in Poland, the high discount of the German Reichsbank, and strikes in Germany in the building trade in 1907, caused stag-

nation in building activity and a falling in the price of timber of 30 to 40 per cent. The principal kinds of wood exported are fir, pine, and oak in form of beams, logs, and sleepers. Ash, aspen, and birch are handled in comparatively small quantities.

It is estimated that over 40 per cent of the timber exported goes to England, 30 per cent is consumed in Germany, and the remainder in France and Belgium. The average price paid per cubic foot of timber is 20 cents, and the total value of wood exported during a normal year is estimated at $20,600,000.

With the exception of scarcity of railway trucks, which caused the price of coal to advance, coal mining was not influenced by the labor troubles during 1907. The total quantity mined in 1907 was 5,455,000 tons, as compared with 4,685,000 tons in 1906.

SUGAR, FLAX, HOPS, GLASSWARE, ETC.

Adding the quantity carried over from 1906, which was about 659,370 hundredweight, the estimated total production of sugar for 1907 was 3,837,870 hundredweight.

Owing to the higher prices commanded by flax and hemp during the past five years, the area of fields sown under flax in 1907 was increased over 30 per cent, but the total production in weight did not exceed that of 1906. Flax is exported to Germany, England, Austria, Belgium, France, and the United States. The value of declared exports from this consular district to the United States in 1907 was $240,468, against $114,822 in 1906. On account of the poor quality of the 1907 crop, prices declined 25 to 60 per cent.

The total yield of hops in 1907 was 20,000 hundredweight. The prices ranged as follows: First quality, $20 per hundredweight; second quality, $12.50 per hundredweight; third quality, $6 per hundredweight. In former years hops were exported in considerable quantities to England, but recently American hops have had the preference on the British market.

There are a number of important glass factories in Poland, with an annual production of about $1,500,000. The principal chemical works in Poland have formed a trust, with a capital of $500,000. The object is to successfully compete with the German product, the imports from that country having increased by 20 per cent in 1907.

There are 200 breweries in Poland, making a cheap quality of beer, the total annual production reaching 8,000,000 gallons. It retails at 5 kopecks (2½ cents) per glass. The better grades of beer come in considerable quantity from Riga, and retail at 10 kopecks (5 cents) a glass.

There were 493 distilleries for making raw spirits in Poland in 1907, against 398 in 1906 and 365 in 1905. Spirits in Poland yield a revenue to the Government of about $15,000,000.

The methods of breeding cattle will be greatly improved by the new veterinary law, which took effect on January 1, 1908. In Warsaw great losses have been sustained by foot-and-mouth disease. The price of meat in Warsaw has almost doubled since 1903. Special attention has turned to the breeding of swine. Over 10,000 pigs were imported from Roumania during the year. Bacon is exported to England and Germany.

IMPORTS OF AMERICAN GOODS.

There are no statistics available showing the amount and kind of American-made goods imported into this consular district, as the bulk of American goods come through German commission houses and are classified as imports from Germany.

The trade in American agricultural implements and machinery was satisfactory during 1907, far exceeding that of 1906. The unsettled conditions seem to have had a beneficial effect on the sale of this commodity. Farm hands were scarce and wages were higher, thus causing an increased demand for labor-saving machinery. In addition to this, prices for grain were exceptionally good and gave the farmer the power to make larger purchases.

There was a brisk demand for binders in preference to ordinary reapers. Usually, the farmers do not care to have binders on account of the high price of manila twine, but the shortage of farm hands compelled many of them to pay the higher price for this article. No plow can compete here with the German two-furrow plow. However, a number of American disk plows were introduced and gave satisfaction.

The hardware trade was satisfactory, particularly shelf ware. The total amount imported from the United States during 1907 is estimated at $45,000. The demand for American padlocks, safety locks, drills, and night latches is increasing. American wringers are well introduced, and the sale during 1907 is estimated at 700 to 800 dozen. Other American articles which sell well are safety razors, scales, mouse and rat traps, meat choppers, egg beaters, gramophones, sewing machines, cash registers, typewriter supplies, hair clippers, micrometers, etc. Trade was excellent in typewriting machines. With the exception of a number of American labor-saving machines, machine tools and wood-working machinery came mostly from Germany and England. Toward the close of the year, however, there was a marked tendency to introduce all kinds of American-made goods in preference to the German. Many new and satisfactory agencies have been established, and the chances for American goods to take a permanent foothold in this section of Russia are exceptionally good.

DECLARED EXPORTS.

The following table gives the value of declared exports from the consular district of Warsaw to the United States during the calendar years 1905, 1906, and 1907:

Articles.	1905.	1906.	1907.	Articles.	1905.	1906.	1907.
Baggings waste	.....	$7,186.49	$560.02	Hair, human	$8,378.77	$5,710.98	$10,606.06
Beet seeds	$11,588.02	19,278.51	14,016.76	Hides	.....	857.47	18,972.29
Books and pamphlets	3,732.59	2,936.27	4,689.00	Leather, kid, for gloves	1,009.40	1,941.21	1,895.61
Brass and copper waste	43.00	131.54	428.99	Mineral waters	.....	.....	458.34
Bristles	.....	.....	1,064.04	Pipes, iron	.....	.....	491.82
Calfskins	.....	.....	4,601.83	Precious stones	.....	.....	2,257.05
Casings, sheep	.....	.....	477.70	Rubber waste	.....	357.25	.....
Caviare	1,532.24	2,437.76	482.35	Silverware	.....	.....	202.42
Cigarette making machine	1,280.81	545.90	.....	Tow	23,621.16	90,589.35	37,455.34
Flax and flax goods	7,188.79	114,821.84	240,468.06	Wine and spirits	.....	120.00	888.59
Flax waste	.....	.....	1,738.48	Wool	27,289.12	1,337.04	2,265.03
Furs	237.67	714.82	.....	Woolen goods	5,347.42	2,163.50	2,371.65
Hair, animal	1,310.65	.....	.....	Miscellaneous	392.91	447.73	407.74
				Total	92,952.55	251,577.66	346,799.17

TURKEY.

REVIEW OF TRADE CONDITIONS.

By CONSUL-GENERAL EDWARD H. OZMUN, CONSTANTINOPLE.

Notwithstanding her immense natural resources, which if exploited would secure the welfare and economic independence of the country, Turkey is essentially an agricultural state. She has but few industries, and they are incapable of meeting her own demands. In Constantinople there are several modern flour mills, but these are unable successfully to compete with imported flour. There is one brewery and one ice manufactory; one cold-storage plant only; one paper factory, one match factory, one candle factory, and each not working; a glass works, one private gas works, two water companies, one tramway company, several coal mines, several tanneries, and a spinning mill, all of which are worked by foreign capital. With the exception of a few products of the soil Turkey imports all her requirements from foreign countries.

This year her grain crops have been a partial failure, and owing to the heavy death rate in her flocks during last winter, which was exceptionally severe, her wool clippings were small and exports of sheep's wool and mohair in particular were greatly reduced. For the same reasons, together with the lack of fodder, the outlook for next year is even more dismal. On the other hand, the tobacco and silkworm crop were both successful, although the advantage of the latter was marred by the tremendous drop in prices the world over.

UNITED STATES FINANCIAL CRISIS HURTS THE MARKET.

At the time of writing (December, 1907) the reflex of our own financial crisis has reached this market, and there has been one failure of an important banking firm of British naturalized subjects, and it is feared that their failure will ruin many smaller commercial firms who were financed by this house. These firms, all Armenians, who are at present in severe financial straits, belong to two categories, one of hardware dealers and the others engaged in export trade, principally with the United States. The result to the hardware trade is that temporarily all importers are declining orders.

As one result of our own financial tension, and other reasons, barely any purchases for America are being made in this market; and this is particularly noticeable in the carpet trade. Buyers for carpet firms come and go, scarcely making any purchases whatever. There is, as a result, at the present moment an accumulation of stocks of carpets in the customs warehouses the like of which has not been seen for twenty-five years. The importation of these goods from Persia has almost ceased, and the stocks there are accumulating to an unheard-of extent. A parcel bought in Persia a month or more back, on its arrival in Constantinople was worth 10 per cent less than the prices actually paid in Persia.

Since this consulate-general's annual report of December 30, 1905, when the Turkish custom-house official returns for the year ended March 13, 1901, were furnished, there have been until recently no further figures published. Owing to accumulated arrears the customs administration has now published the returns for the financial year

ended March 13, 1906, and abandoned the idea of publishing those for the intervening years.

INCREASE IN IMPORTS.

The totals of the imports, as shown for the year ended March 13, 1906 ($138,792,933), show an increase of about 50 per cent on those for the year ended March 13, 1896, which was the smallest year during a period of ten years, and amounted to $90,532,496, and are about 18 per cent greater than those for the year ended March 13, 1899, which was the largest year during that period, and amounted to $117,133,511.

The official returns are based upon the value of the goods as estimated by the customs appraisers, and upon which values the duties are collected. These returns are, in the case of goods which are loaded at ports of transshipment, misleading, in that American goods, for instance, are transshipped at Liverpool and at Mediterranean ports and will appear in these returns under goods credited to England or Germany, according to carrying steamer. As an example, our exports to Turkey are at least three times as great as they appear in the Turkish returns, and our imports from Turkey we know to be about six times greater.

IMPORTS DURING YEAR ENDING MARCH 13, 1906.

Articles.	Value.	Articles.	Value.
Aba cloth and serge	$1,117,556	Coal	$1,051,170
Account books	171,569	Cocoons	30,565
Agabani embroidery and head gear	293,071	Coffee	4,164,910
Alcohol	1,221,947	Combs	106,120
Aloes and sandalwood	6,553	Cognac	221,436
Amber, crude and worked	74,071	Copper, unwrought and sheets	605,510
Arak	47,592	Copper manufactures	37,809
Arms	139,155	Cork and corks	18,181
Attar of roses	23,242	Cotton and linen cloth	1,954,488
Balances and scales	30,282	Cotton, raw	89,106
Bark of trees	3,262	Cotton velvet	315,090
Barley	403,816	Cotton yarn	6,456,807
Baskets	36,205	Cotton-seed oil	10,430
Bathing waistcloth and towels	235,590	Covers, bed and table	833,349
Bazin cloth	272,932	Crushed sesame seed and Helva	3,021
Beads	62,832	Damask	130,098
Beans and peas	223,044	Dates	59,172
Bedsteads	155,296	Dimity	732,800
Beer	202,023	Drill	323,199
Birds	2,046	Earthenware	525,813
Biscuits	106,613	Ebony and boxwood	16,894
Boats, rowing	10,300	Emery ore	5,648
Bottles and glassware	857,284	Empty cases	44,956
Boxes	30,936	Fancy articles (nic nacs)	1,305,234
Braid	310,614	Fancy covers and boxes	4,526
Bran	3,304	Feathers	6,656
Brass manufactures	122,142	Fertilizer	1,269
Brushes and brooms	78,913	Fezes and hats	1,209,458
Broadcloth	1,326,725	Figs	41,634
Butter	230,930	Files and rasps	44,790
Candles	396,235	Fish, salted and fresh	278,689
Canned goods	290,914	Fish oil (cod-liver oil)	51,693
Canvas	246,509	Fishing tackle	5,659
Calico and remnants	304,923	Flannels	488,026
Carob fruit	6,969	Fleece	270,982
Carriages	90,804	Flour	4,991,746
Cashmere cloth	2,815,209	Flower plants and seeds	5,191
Casks and barrels	116,327	Fowls and ducks	1,024
Castor oil	9,691	Frames	74,663
Caviar	162,457	Fruit	216,689
Chain	26,515	Furs	69,499
Chairs and sofas	144,733	Gingham, imitation, native cloth	307,368
Charcoal	33,334	Glass, window	552,815
Cheese	123,464	Gloves	81,725
Clocks and watches	418,215	Gold braid	15,755
Cloth bundle covers	657,633	Gold braid, imitation of	166,839

IMPORTS DURING YEAR ENDING MARCH 13, 1906—Continued.

Articles.	Value.	Articles.	Value.
Gold manufactures	$35,878	Rubber overshoes	$448,634
Gum tragacanth	126,538	Rubber waterproofs	72,656
Guts and catguts	2,840	Rugs, carpets	2,540,308
Hair	20,026	Rum	27,185
Handkerchiefs	626,587	Rye	2,608
Harness, saddlery	27,552	Sacking	1,696,548
Hay and straw	31,659	Sailcloth	96,171
Hides, animal	6,020	Sausages and dried meats	24,216
Hides, ox and cow	1,373,034	Scythes	39,978
Honey	1,955	Seeds, ordinary	11,191
Horses and mules	139,099	Sesame seed	48,143
Hosiery	829,627	Sesame-seed oil	556,784
Imitation native cotton cloth	15,955	Shawls	174,180
Indian corn	886,321	Sheep and goats	1,178,950
Intoxicating liquors	136,896	Sheep's tail fat	1,064,510
Iron, unwrought and rods	2,171,767	Sieves	4,167
Iron sleepers	6,909	Silk, dress material	1,335,797
Ironware	1,543,246	Silk, raw	625,871
Iron and wooden shovels	57,737	Silk, tassels and cord	80,601
Ivory and mother-of-pearl	53,141	Silk velvet	77,349
Jewelry	1,486	Silkworm eggs	129,097
Kermes, cochineal	57,204	Silver manufactures	48,968
Kernels	5,645	Skins, sheep and goat	35,696
Lace	661,496	Soap, ordinary	269,371
Lard	7,852	Soap, scented	51,130
Lead	191,210	Soda	189,720
Leather (sole)	1,504,565	Solder	306,928
Leaves	7,873	Spice	412,356
Lemons, oranges, and citrons	223,787	Sponges	14,719
Linings	753,452	Sporting tackle	50,965
Linseed oil	108,357	Starch	82,726
Locks	124,052	Steel	116,875
Lumber	1,709,039	Steel pens	60,063
Machinery	668,167	Stock for animals	1,043
Machinery oil	272,063	Stone	178,142
Macaroni and vermicelli	77,691	Stoves and fireplaces	71,528
Manufactured ore	352,571	Sugar, loaf and powder	11,356,963
Mastic gum	2,738	Sugar manufactures	289,276
Matches and tinder	770,388	Sulphate of quinine	52,224
Matting	80,046	Sulphuric acid	16,268
Meats, fresh and salted	25,742	Sulphur	166,998
Medicines and drugs	1,572,978	Swine	29,105
Millet seed	1,089,186	Tables and consoles	44,678
Mineral waters	56,353	Tar and pitch	27,397
Mirrors	95,317	Tea	564,123
Molasses	2,728	Thread, reel and spool	1,576,024
Morocco leather	996,278	Thread, linen	280,945
Musical instruments	91,197	Thread, woolen	374,387
Muslin	2,036,094	Tiles and bricks	312,581
Nails and points	713,682	Tin plates	608,148
Natron, borax	4,512	Tinware	413,306
Needles and pins	41,951	Tombac	168,728
Oats	14,141	Tools and implements	497,472
Oilcloth	223,854	Toys	168,719
Olive oil	340,287	Trees and plants	3,224
Olives	96,001	Turpentine	34,499
Opium	2,031	Turquoise and cornelian	31,970
Ores	18,522	Umbrellas and parasols	49,538
Oxen, cows, and buffaloes	83,147	Underwear	1,271,990
Paper, cigarette	598,330	Unbleached goods	7,046,093
Paper, wall	690,662	Valonia	1,283
Paper, writing	437,757	Vegetables	237,505
Paints and colors	905,299	Vinegar	25,325
Perfumery	170,208	Waist sashes	140,235
Petroleum	4,519,231	Walnut wood	2,122
Playing cards	37,741	Walnuts and cocoanuts	33,288
Pictures	14,099	Washing blue	37,363
Plaster and lime	106,115	Wax	10,871
Porcelain	147,444	Wheat	1,417,274
Potatoes	258,424	Wines	258,779
Printed cotton headgear	168,982	Wicks and night lights	66,820
Prints and pique	10,107,080	White shirting	1,706,241
Pumps	19,231	Wire (all kinds)	149,564
Raisins	51,695	Woolen dress stuffs	3,940,692
Raw linen	20,008	Wood	1,704
Razors and knives	126,214	Wood manufactures	234,348
Ready-made clothing	980,079	Sundry articles of less than $1,000 each (ice and snow, horn, poppy seed, spelter, snails, nuts, birds' food, shuttles, nutgall, licorice root, eggs)	7,917
Ready-made shoes	165,625		
Ribbon	134,429		
Rice	1,739,869		
Rope and twine	134,356		
Rosin	6,919		
Rubber sheets and tubes	80,843	Total	128,503,019

SOME THINGS OMITTED IN THE STATISTICAL TABLES.

The customs administration makes the following note to these returns:

Owing to the free entry accorded, the following imports by the Imperial Government are not included in the above statistics: War material, supplies for embassies and consulates, supplies for religious and educational institutions, also agricultural machinery, and material for certain railway companies, harbor works, and factories.

From figures furnished by the tobacco and tombac regie monopolies the amount of leaf tobacco, cigars, and snuff imported during the year ended March 13, 1906, and not appearing in the above returns, are given as follows:

Articles.	Weight.		Value.
	Kilos.	*Pounds.*	
6,926,631 cigars in leaf			Not given.
Tobacco	2,867	6,307	Not given.
Snuff	17,793	39,151	Not given.
Tombac	1,237,404	2,722,289	$51,151

I give below the statement of goods imported, by countries, according to the same official returns, and it will be seen that the totals by article are more by $782,442 than the division by countries, for which the customs administration offers no explanation. As imports are credited to the last port from which they are shipped, the following official statistics by countries are inaccurate:

Country.	Value.	Country.	Value.
England	$48,303,926	Holland	$2,628,967
Austria	28,671,029	Greece	2,468,054
France	11,742,884	America	1,265,271
Italy	10,763,279	Egypt	4,075,324
Russia	8,008,700	Bulgaria	2,055,192
Germany	5,831,293	All other countries	1,069,708
Belgium	4,339,040		
Roumania	3,499,322	Total	138,010,491
Persia	3,228,502		

DETAILS OF TRADE BY COUNTRIES.

GREAT BRITAIN.

Instead of analyzing the imports from each country according to these inaccurate Turkish returns, it will be of more interest to give the exports to Turkey from the official figures of the several exporting countries for the year ended December 31, 1905, which is the nearest period to the Turkish figures under consideration. It will be seen that although the statistics are not exact as far as the share of the various countries are concerned, the totals of the seven principal countries, together with our own exports to Turkey, are reasonably correct.

England's exports to Turkey, according to her own figures, for the calendar year 1905 were as follows: Exports of English manufacture, $32,564,500; exports of foreign and colonial origin, $1,399,500; total, $33,964,000.

The principal articles of export are shown in the following statement:

Articles.	Value.	Articles.	Value.
Chemicals	$188,426	Oils	$74,526
Clothing	94,693	Oilcloth, etc	156,648
Coal, etc	1,425,968	Ores, raw and worked	1,037,027
Cotton goods	20,501,650	Tin	169,125
Cotton spinnings	3,306,021	Woolen goods and spun wool	2,568,252
Hardware	102,094	All other goods	3,310,900
Jute	186,139		
Leather	94,858	Total	33,964,000
Machinery and steam engines	748,673		

AUSTRIA.

Austria's exports to Turkey for the calendar year 1905 were as follows:

Articles.	Value.	Articles.	Value.
Sugar	$3,523,608	Wood and manufactures	$461,419
Cotton goods and spinnings	2,038,323	Glass and glassware	454,111
Flax, jute, and products	312,214	Iron and ironware	759,220
Wool and woolen goods	3,073,014	Mineral oils	429,954
Clothing and underclothing	845,292	All other goods	3,174,108
Paper and paper goods	1,001,805		
Leather and leather goods	378,392	Total	19,451,460

Sugar forms one-third of Austria's total exports to Turkey. Cotton and woolen goods, clothing, and underclothing account for another one-third.

FRANCE.

France's exports to Turkey, according to her own figures, for the calendar year 1905 were as follows:

Articles.	Value.	Articles.	Value.
Skins and furs worked	$1,891,786	Chemical products and medical specialties	$266,340
Silk goods	1,106,855	Pottery and glassware	212,683
Woolen goods	953,034	Paper	204,589
Cotton goods	704,064	Skins and furs, raw	203,422
Sugar	665,850	Machinery	176,595
Toys, fans, brushes	463,779	Wearing apparel and underclothing	151,891
Oils	449,111	All other goods	1,882,908
Metal manufactures	322,503		
Materials	304,168	Total	10,234,404
Silkworm eggs	274,832		

To these figures representing special commerce must be added the extent of French exports of flour to Turkey amounting to about $400,000, which, under the French system of compiling statistics, being consigned goods, are classified under general commerce (transit goods), although of French manufacture. An important share of French goods ars shipped to Antwerp in transit for Turkey and appear as exports to Belgium.

ITALY.

Italy's exports to Turkey, according to her own figures, for the calendar year 1905 were as follows:

Articles.	Value.	Articles.	Value.
Cotton goods and yarns	$5,814,704	Thread and twine	$154,786
Silk goods	2,827,257	All other goods	3,828,541
Woolen goods and yarns	635,356		
Wax matches	330,187		13,580,831

It is interesting to note that cotton and silk goods form about 64 per cent of the total of Italy's exports to Turkey. As one of the youngest and most active bidders for Turkey's trade, it is instructive to compare her exports to Turkey with those of the four preceding years, showing a steady growth of nearly 30 per cent in five years.

1901	$10,452,687	1904	$13,430,870
1902	9,621,436	1905	13,580,831
1903	10,892,727		

RUSSIA.

Russia's exports to Turkey, according to her own figures, for the calendar year 1905 were as follows:

Articles.	Value.	Articles.	Value.
Grain and flour	$2,524,113	Cattle and horses	$251,722
Petroleum and by-products	1,670,259	Caviar	217,309
Sugar	1,129,135	Metal manufactures	216,480
Cotton goods	470,616	All other goods	1,031,359
Alcohol	359,633		
Woolen goods	300,432	Total	8,171,058

Internal troubles reduced these exports to Turkey, which under normal conditions were considerably greater.

GERMANY.

Germany's exports to Turkey, according to her own figures, for the calendar year 1905 were as follows:

Articles.	Value.	Articles.	Value.
Iron and ironware	$2,968,098	Hardware	$548,114
Cotton goods	2,964,766	Drugs and chemicals	520,030
Woolen goods	2,816,492	Porcelain and earthenware	387,940
Copper manufactures	1,488,452	Ready-made clothing and underwear	290,836
Skins and hides	1,333,514	Paper	275,366
Instruments, machines, and vehicles	888,930	All other goods	1,304,240
Leathers and Morocco	661,164		
Silk	593,810	Total	17,041,752

BELGIUM.

Belgium's exports to Turkey, according to her own figures, for the calendar year 1906 were as follows:

Articles.	Value.	Articles.	Value.
Railway and tramway cars	$463,200	Glass, window	$319,994
Steel, bars, sheets, and wire	228,319	Glass, other	146,294
Steel, worked	585,562	Paper	116,572
Iron and manufactured iron	999,933	Machinery	117,344
Tanned skins	191,649	All other goods	1,037,895
Chemical products	180,262		
Cotton textures	579,965	Total	4,966,989

These figures represent only goods of Belgian manufacture and do not include any transit trade, which is of considerable importance, her own figures placing it at more than as much again as the above-quoted totals.

COMPARISON OF RETURNS—TRADE WITH UNITED STATES.

If the official figures of the above-mentioned countries are compared with those of the Turkish custom-house returns, and allowance is made for the fact that the figures under comparison do not cover exactly the same periods—those of the respective exporting countries being for the year ended December 31, 1905, and those of the Turkish custom-house returns being for the year ended March 13, 1906—and that the value of the goods in the first case are their cost at port of shipment, whereas in the other case they represent the value of the goods on their arrival in Turkey plus freight and expenses, there is little if any discrepancy in the result. The following are the returns compared:

Country.	Figures of exporting country.	Turkish customs returns.
England	$33,964,000	$48,303,926
Austria	19,451,400	28,671,020
France (including her export of flour)	10,634,404	11,742,884
Italy	13,580,831	10,788,279
Russia	8,171,059	8,008,700
Germany	17,041,752	5,831,293
Belgium	4,906,980	4,330,040
America	4,500,000	1,265,271
Total	112,310,494	118,985,422

[According to the official returns the direct exports from the United States to Turkey in Europe in the calendar year 1905 were of the value of $798,156 and to Turkey in Asia $550,683, making a total of $1,488,839. American sewing machines, so called, are made extensively in Europe.—B. of M.]

It will be noticed that the Turkish official returns give America credit for imports of only $1,265,271, whereas I have ascertained that one article alone, namely, sewing machines, amounts to almost double this sum. In the absence of more definite statistics I can only estimate from inquiry of some importers the value of certain important lines, such as oleo oil, cotton goods, rubber overshoes, agricultural machinery, petroleum, and placing these at the lowest possible figure they do not amount to less than $2,000,000.

Of course, it is impossible to trace all the imports of American goods, and, further, there are some smaller lines which I have not included in the above estimate, such as dressed skins, mineral oils, typewriters and accessories, lamps, stoves, paints and colors, tools, boots and shoes, desks, fountain pens and pencils, motors, petroleum engines, etc., which together amount to quite a considerable item. There may be many other articles imported directly from America of which this office has no knowledge whatever, not to mention those American articles which are drawn from depots in London, Rotterdam, Antwerp, etc., and which do not come under the head of direct trade between this country and America. Our imports, however, can not fall far short of $5,000,000 if they do not actually reach this figure, but I am certain of being within the mark in estimating these at $4,500,000.

HOW THE RETURNS GET MIXED.

The most noticeable discrepancies in these Turkish figures are the exports of Germany, which are three times as important as shown by

the Turkish returns. Allowing that a portion of her exports are for her many enterprises in Asia Minor such as railways and harbor construction, and that a considerable item also represents war material, none of which are dutiable, and therefore do not appear in the Turkish custom-house returns, it is evident that a very large sum of her trade is being credited to other countries, presumably Austria, as considerable German merchandise is shipped via Trieste. Furthermore, Belgium having but one small steamship line to Turkey, German goods shipped through Antwerp as also French goods in transit through the same port are being credited to England in so far as they are transported in English ships. It will be seen that the Turkish returns credit England with exports to Turkey of about $14,000,000 in excess of her own official figures, and in this surplus are included presumably goods shipped at Antwerp in British steamers as well as some of America's exports transshipped at Hull and Liverpool. It will be noticed that Austria is also credited with about one-third more than her own official figures show, which I have already explained above as including some of Germany's goods shipped at Trieste. Belgium places the amount of her general commerce (transit trade) with Turkey, as distinct from her special trade (goods of Belgian manufacture. the figures of which I have already given) at $7,491,488, but as some of this, although perhaps not all, appears in the figures of Germany and France I omit it altogether in my comparisons.

DISCREPANCIES IN EXPORT FIGURES.

According to the same Turkish custom-house returns, exports to foreign countries are given as follows:

Country.	Value.	Country.	Value.
England	$27,852,357	Holland	$2,556,591
France	21,167,549	Greece	2,391,772
Austria	9,404,135	America	2,165,323
Italy	4,382,185	Bulgaria	3,326,307
Russia	2,612,916	All other countries	1,390,586
Germany	5,401,875		
Belgium	2,146,838	Total	86,558,429
Roumania	1,759,995		

The same discrepancies occur in the compilation of these returns that I mentioned in regard to the amount of Turkey's imports by countries, viz, that the exports, the distination of which are often unknown, are credited to the country of the carrying steamer and not to their eventual destination when transshipped. I will offer no comparison excepting with our own figures, which are based upon invoices certified of goods exported from Turkey to the United States and which we know to be correct.

We appear in the above returns as a purchaser taking tenth place with a total of $2,165,323, whereas our imports from Turkey during the year ending June 30, 1906, as given in our "Foreign Commerce and Navigation," show us to have purchased from Turkey in Europe, Turkey in Asia, and Turkey in Africa (not including Egypt) the total of $13,002,685, placing us well in the third place as a purchasing power, and if we except the totals of England, Austria, and France, as given in the Turkish returns, we purchase as much as all *the other* countries of the world together.

STEADY GAIN IN TURKISH EXPORTS TO AMERICA.

The importance of the steady increase of Turkish exports to the United States during a period of ten years is shown by the figures given below. I do not choose the one lean year during this period, 1898, for comparison, as the net result would be just about trebled instead of only doubled; I take instead a whole decade. We imported from Turkey in Europe, Turkey in Asia, and Turkey in Africa (excluding Egypt), as follows:

Class.	1896.	1906.
Nondutiable goods	$3,645,269	$4,047,125
Dutiable goods	2,357,077	8,955,560
Total	6,002,346	13,002,685

This shows a net increase of more than 100 per cent in ten years (11 per cent in nondutiable goods, and 260 per cent in dutiable goods). The increase in the export of dutiable goods is most noticeable in wool, tobacco, and carpets and rugs, and as these articles pay an average ad valorem or specific duty of not less than 50 per cent the amount paid into the Treasury in duties from this district in 1906 would have been $3,000,000 more than in 1896 had the present tariff then been in force, and this amount paid into the Treasury in 1906 was about three times as much as that actually collected in 1898 for goods purchased in this district.

EXPORTS FROM CONSTANTINOPLE TO THE UNITED STATES.

I now give the annual declared export returns from this city to the United States for the year ended December 31, 1907, showing the declared values for the year, as follows:

Articles.	Value.	Articles.	Value.
Bazaar goods	$6,410	Furs	$53,808
Bulbs	247	Provisions	2,007
Canary seed	13,291	Pistachio nuts	6,238
Carpets and rugs	2,085,566	Roans	185,276
Cheese	1,492	Rags	8,927
Cigarette paper	2,018	Rubber, old	54,227
Embroideries	9,745	Roeskins	17,893
Fur silks	18,113	Seamony	502
Fish	573	Silk, raw	14,987
Gentian root	289	Sweetmeats	3,688
Gum tragacanth	92,621	Sheepskins	79,300
Gum mastic	1,122	Slippers	11,388
Guts (sausage casings)	120,104	Sundries	4,505
Glue stock	1,202	Shearlings	1,584
Goatskins	204,633	Sumac	9,526
Hazel nuts	9,728	Tannin	1,215
Mohair	381,726	Tobacco	14,682
Mustard seed	2,294	Vegetables	366
Millet seed	12,582	Walnuts	544
Opium	18,507	Wool	307,351
Attar of rose	70,003		
Personal effects	2,533	Total	3,393,503

LARGE DECREASE IN CARPETS AND RUGS.

It will be observed that the exports from this city are less by $1,395,813 when compared with those of the year ended December 31, 1906, which amounted to $5,289,418. This decrease is almost entirely the

difference in the export of carpets and rugs, which amounted to $2,085,565 in 1907 and were $3,302,120.38 in 1906. I have elsewhere explained the circumstances which have affected the export of these goods and the conditions of the local market. The year preceding the Presidential election is always a weak year for the export of heavy dutiable goods, as in anticipation of tariff changes home stocks are gradually worked off and buying is reduced to a minimum. Add to this the effect of the recent financial strain, and it explains the small total of exports during the last quarter of this year, which is less than half as much as that of the same quarter of the preceding year, during which quarter the exports of carpets alone, $957,761, amounted to one and a half times the total exports during the same quarter of this year.

MARITIME STATISTICS OF CONSTANTINOPLE.

The traffic of the port of Constantinople represented by the net registered tonnage, paying dues, which includes, besides those vessels which load or discharge cargo at this port, also those which pass through the Bosphorus in ballast for the Black Sea and again when loaded and homeward bound, was for the year 1906, in tons, 15,682,147. These figures include 2,562 sailing vessels of a tonnage of 301,496, and also vessels engaged in the coasting trade. There were 2,156 sailing vessels with a tonnage of 36,502, and 1,276 steamships of 147,793 tonnage.

The following table shows the nationality of the vessels calling at or passing through the port of Constantinople, including sailing and coasting vessels, during the year 1906:

Nationality.	Number.	Tonnage.	Nationality.	Number.	Tonnage.
British	3,761	7,209,754	Turkish	4,858	501,122
Greek	3,083	2,643,447	Belgian	122	162,447
Austro-Hungarian	714	1,217,366	Dutch	108	165,802
Russian	832	970,861	Danish	108	156,822
Italian	614	886,580	All others	751	550,650
French	545	610,480			
German	367	606,816	Total	15,863	15,682,147

These figures, which are official, have no bearing upon the freight carried, but represent the net registered tonnage upon which dues have been collected. This classification by nationality shows England to lead with 46 per cent of the total tonnage visiting this port; Greece, 16.8 per cent; Austria-Hungary, 7.8 per cent; Russia, 6.2 per cent; Italy, 5.7 per cent; France, 3.9 per cent; Germany, 3.9 per cent; Turkey, 3.2 per cent; and all other nations, 6.5 per cent.

GERMANY AND GREECE INCREASE TONNAGE.

The share of Germany, which is entirely general cargo and passenger trade, as distinct from England, of which 90 per cent is charter trade from Black Sea ports and whose ships merely pass Constantinople in transit, will show a considerable increase in the twelve months ended 1907. The total tonnage movement in Turkish ports of the Mediterranean, Black Sea, Bosphorus, Red Sea, and Persian Gulf has averaged 45,000,000 tons during the last three years, varying scarcely a million tons in either year.

The most remarkable fact shown by these figures is the progress made by Greece. In a period covering eight years her tonnage in

Turkish waters has just quadrupled. Her two principal lines are the "Pantaleon," running regular steamers between Constantinople, Smyrna and other Turkish ports, Grecian Archipelago, and Piraeus; the "Panhellenique," the second line that runs to the same ports, including Alexandria and the Black Sea. Besides these two lines there are two smaller coasting services, the "Yanulato and Destouni," and the "McDowell Line." The newly established Greek line between Smyrna and New York, touching at Piraeus and Naples, must not be forgotten.

The remainder, which, with the exception of a very few important firms owning several large and modern carriers, are tramps owned generally by the master and his relatives, who form the crew. These ships are generally bought from English owners when they can no longer be run at a profit, at almost the price of old metal, and under their new ownership they are worked cheaper and are able to carry a few hundred tons more than they could under the English flag. This class of steamer under the Greek flag is increasing.

NEW MINING LAW—CORPORATIONS AND INSURANCE—POSTAL TARIFF.

A new mining law was promulgated on March 26 old style (April 8 new style), 1906, granting facilities which should act as an incentive to the development of new mining enterprises throughout the Empire. A résumé of the general outlines of this law appeared in the Monthly Consular and Trade Reports for April, 1907. Turkey's mineral wealth in chrome, coal, manganese, copper, and lead ore are very great, but there is a lack of railway communication when the mine does not happen to be situated on the seacoast, and the bad condition of the roads and, in some cases, their entire absence are impediments. However, unskilled labor is cheap and plentiful in the interior, and costs 20 cents per day.

A new law entitled "Loi sur les Sociétés anonymes et d'Assurances," together with an annex to the Code of Commerce, promulgated on May 12, 1906, elaborating certain conditions to which foreign corporations and insurance companies must submit in order to be permitted to do business in this Empire, is still a subject of dispute with foreign embassies. This law and its annex contained restrictions such as to compel submission to the laws and tribunals of this country, the deposit of an important part of the company's capital in the Empire in proportion to the amount of business done, and the appointment of subagents of Ottoman nationality only.

Since October 1, 1907, as a result of the Postal Congress held at Rome in May, 1906, a modified tariff has come into force in the post-offices represented in this city. Letters posted to any country in the world pay 40 paras or 1 piastre silver (4 cents) for the first 20 grams, instead of 15 grams, and 30 paras silver (3 cents) instead of 40 paras for each successive 20 grams, instead of 15 grams, or fraction thereof. A further innovation is the issuance of reply coupons which are exchangeable in any country in the world for a postage stamp for reply.

PATENT FEES—CUSTOMS CHARGES.

No changes have been made in the patent fees as advised in the commercial report of this office of December 30, 1905.

The increase of 3 per cent in customs duties, which was formally accepted by the ambassadors of the Great Powers and subject to the

ratification by their respective Governments, should have gone into force on June 25, 1907, but did not actually go into operation until July 12, owing to the delay of one of the European parliaments in ratifying it. Before approving the increase of duty the British Government, as the power having the greatest commercial interests, demanded and obtained certain reforms in the administration of the Turkish customs department. These reforms are embodied in "instructions" issued by the customs administrations, entitled: "Customs formalities," "Samples arriving at custom-houses," and "Porterage at the custom-houses of Constantinople."

The first instruction provides for regularity of attendance of customs officials during certain fixed hours throughout the year, according to the season. The shortest working day consists of seven hours during winter months and the longest of eight hours during the summer months. For absence three times in a month an official will be warned and on the fourth occurrence will be dismissed. Careful stowing of merchandise by the trimmers, who must be able to read marks and numbers, is to have attention. An inspector to be appointed to each custom-house controls the stowing of merchandise. Storage dues will not be collected upon Turkish holidays when the custom-houses are closed, nor if the delay in clearing is proved to have been caused by the customs administration and through no fault of the owner of the merchandise. The regulation also provides for facilities and consistency in the formalities for clearing goods.

TRAVELERS' SAMPLES—PORTERAGE REGULATIONS.

The second "instruction" provides facilities for samples belonging to commercial travelers. These goods, if they have any intrinsic value, will be treated as transit goods, and the duty paid on them will be returned at the port of departure from Turkey, if within six months. On entry the goods must be entered upon a declaration made out and signed in duplicate by the traveler, and the articles will be identified by the affixing of a lead seal.

In the third "instruction" provision is made for the number of porters, trimmers, and trollies to be on duty at the several custom-houses in the city, the capacities of such trimmers, the control of porters and their punishment by dismissal for incompetency or abuse. A tariff of porterage charges is included, dividing the city into zones with a rate of charge per weight, starting from a load carried by one man to that carried by 24 men by means of poles. While merchants are permitted by this regulation to make delivery of their merchandise in their own carts or conveyances at the doors of the custom-houses, they must still pay the loading charge and that of the porterage into the first zone. When damages to merchandise are proven to have been caused by negligence or carelessness of customs porters, they will be paid by the customs administration.

GRAIN AND FLOUR.

Owing to the partial failure of the grain crop and the general rise in prices of imported grain and flour, the Imperial Government, in October, 1907, prohibited the export of wheat and suspended the duty of 11 per cent on grain imported into Constantinople and reduced *to 6 per cent* (instead of 11 per cent) the duty [illegible]

[From February 14, 1908, in the provinces and March 14 in Constantinople, the usual duty of 11 per cent ad valorem on grain and flour was restored and the export of grain permitted.] However, the local mills are of insufficient capacity to supply the demand.

Attention has been called to the opportunities for American flour in this market. I made a careful study of the market and a detailed report of the conditions which, together with a complete collection of samples of the flours used here, I forwarded to two exporters who showed interest in this market. I regret to say that although I have written to them several times on the subject, I have not received the courtesy of even an acknowledgment of my letters and samples.

If we wish to get a footing in this market, our opportunity would seem to be the present, and in my list of importers will be found the names of several firms who are prepared to undertake this trade, and I welcome correspondence.

ESTABLISHMENT OF NEW BANKS.

Two new banks were established in this city during 1906. One, registered at the Austrian consulate-general, is an original branch of the Wiener Bank-Verein of Vienna, with a large paid-up capital and reserve. Another, registered at the German consulate, is the Deutsche Orient Bank, founded by the Dresden Bank, the A. Schaaffhausen 'scher Bankverein, and the National Bank of Germany, with a large capital. Italy has just established a new bank in this city entitled "La Societa Commerciale d'Oriente." While its objects are to finance Italian trade with Turkey, it will also interest itself in commercial and industrial undertakings. Italy is one of the youngest bidders for a share in Turkish trade, and it is only natural that the establishment of an Italian bank should follow as a consequence. It is interesting to compare our position with that of Italy in regard to trade with Turkey. Italy exported to Turkey, according to her own official figures, in 1905 $13,580,000 and purchased $4,382,000, making a total trade of $17,962,000. Our direct trade with Turkey was as follows: Estimated exports to Turkey about $4,500,000; imports from Turkey to June 30, 1906, $13,000,000, making a total of $17,500,000. If Italy finds that the time is ripe for her to establish a national bank here, in view of the exorbitant rates of exchange quoted by local banks for transaction with the United States, should we not do the same?

A brief statement of the opportunities for business which might be done by an American bank established here, besides those already stated, may not be out of place. They are: Charitable and educational remittances in connection with American missions and colleges, which do not amount to less than $300,000; diplomatic and consular drafts of not less than $60,000; premiums on $1,000,000 of American insurance policies; emigration and other like remittances; circular notes of travelers; occasional large Government contracts such as the sale of American rails for the Hedjaz Railway a few years ago, and the building of a large armed cruiser. Were an American bank established here there would also be opportunities for participating in the more important industrial undertakings of the Turkish Government, such as concessions for railways, mines, electric traction, and lighting and harbor works, all of which would be a natural medium of introducing American plants and machinery.

RAILWAY CONSTRUCTION CEDED REVENUES.

During the year 1906–7 some 500 kilometers in length have been built on the Hedjaz Railway, which is now approaching completion, there remaining only some 600 kilometers to reach the goal, Mecca. During the same period the Damascus-Hama-Aleppo line has built some 143 kilometers. The Smyrna-Aidin Railway, with English capital, is about to add 100 kilometers to its line to the lake of Egirdir. The Bagdad line has not progressed further than Bulgurlu, in the vicinity of Eregli, which it reached two years ago. The total length of railway lines in Turkey in Asia and Turkey in Europe is now 6,236 kilometers (3,895 miles).

The revenues ceded to the administration of the Ottoman public debt show a slight increase in the year ended March 13, 1907, of £T4,383, as compared to those for the preceding year, again establishing a record. The sources of revenue and the sums obtained were:

Articles.	1907.	1906.
Salt	£T1,075,880.22	£T1,037,586.11
Stamps	353,631.25	439,264.23
Spirits	284,117.67	271,593.98
Fisheries	51,952.00	63,924.53
Silk	110,132.75	117,485.22
Fines	5,131.91	6,692.28
Tobacco tithe	183,026.27	130,323.74
Sundries	5,597.57	7,189.25
Profits resulting from sale of currency	9,944.33	5,379.48
Tobacco monopoly royalty	879,878.95	875,474.00
Total	£T2,959,296.92 = $13,020,902.00	£T2,954,912.83 = $13,001,616.00

These figures only interest us as far as they reflect the prosperity of the country to that date.

MOTORS AND MOTOR BOATS.

There will be a great future here for small motor boats. The Bosphorus and adjacent waters on the Asiatic coast of the Marmora and Princes' islands are ideal for aquatic sport. The European element and a few Turkish officials own pleasure sailing yachts. The Bosphorus on a summer afternoon simply swarms with small steam launches and luxurious rowboats of the Thames wherry type, built by local firms. There are at present but a few motor boats, less than ten all told, but interest has been awakened and the capacity of each new arrival is carefully watched by likely purchasers.

Not all of the American motor boats sent here have been successful. Certain defects in some of them have appeared which will prevent the future sale of more of those makes; but a few American firms have sent out superior boats which rank in nearly every respect above those of any other type on this market.

There is a good field here also for motor boats for commercial purposes. The uses to which this craft can be put in the harbor of Constantinople are varied and numerous, viz, communicating between the docks and vessels lying in the roadstead; towing coal and other supplies to ships; lightering from ship to dock; towing small sailing vessels up the Bosphorus and up and down the Golden Horn. If reliable builders will correspond with the dealers in machinery and

marine engines and certain agents whose names are sent with this report, and are prepared to meet an agent with reasonable facilities, they may participate in the many orders which will be placed in the near future, as this sport is certain to grow.

SILK CULTURE.

I wish to call particular attention to the growth of silkworm culture in this Empire. Of the imports of raw silk into the United States for the year ended June 30, 1906, amounting to $52,855,611, about one-third was from Europe, viz, $13,972,603 from Italy and $2,080,975 from France. As 99 per cent of Turkey's product is exported to France, it is to be assumed that some of this is eventually reexported to the United States, and it is important that our buyers should know of this market as a source of supply for their requirements.

The tithes on silk ceded to the administration of the Ottoman public debt have gradually grown from $83,389 in 1883 to $484,585 in 1907. These figures are slightly less than last year owing to the unfavorable climatic conditions during the season 1907. The official analysis of results obtained in the districts of Broussa and Ismidt, the two principal centers of production, show native eggs incubated in Broussa in 1907 to have been 115,797 ounces and in Ismidt 37,956 ounces, making a total of 153,753 ounces. In 1907, 40 ounces of foreign silkworm eggs only were incubated at Ismidt. In 1906 there were 213,224 ounces of native eggs incubated. The production of cocoons in 1906 was 16,411,978 pounds and 14,615,456 pounds in 1907. The quantity of raw silk consumed by local industries was 376,684 pounds in 1906 and 475,222 pounds in 1907. The exports to foreign countries were:

Articles.	1906.	1907.
	Pounds.	*Pounds.*
Dry cocoons	2,288,770	1,760,264
Pierced cocoons	1,021,086	1,146,838
Raw silk	12,732,830	16,189,316
Prisons	5,499,076	7,412,438
Waste, etc	7,442,358	11,041,888
Total	28,984,120	37,550,744

The Turkish custom-house returns for the year ending March 13, 1906, give the total export of raw silk as $7,993,920 in value, according to country, as follows:

Country.	Value.	Country.	Value.
France	$7,750,076	Bulgaria	$30,936
Austria	89,949	All other countries	8,277
England	69,564		
Italy	45,118	Total	7,993,920

During the year ending June 30, 1906, there was shipped to America raw silk to the extent of $30,000, and this amount must be included in the above returns of the transshipping countries—Italy, Austria, and England.

COTTON GOODS AND COTTON-SEED OIL.

I need not make any particular reference to cotton goods as Special Agent W. A. Graham Clark has reported on this district. I will merely state here that cotton goods of all kinds were imported into Turkey to the extent of about $40,000,000 during the year ending March 13, 1906. The share of the several countries' exports of cotton goods and the percentage cotton goods formed of the total exports to Turkey during the year ending December 31, 1905, according to their respective statistics, was as follows:

Country.	Value.	Per cent of total exports.
England	$23,806,671	70
Italy	5,814,704	42
Austria	2,350,537	12
Germany	2,964,766	19
France	704,064	----------
Belgium	579,965	----------
Russia	470,616	----------
Holland	1,135,763	27
America, estimated	1,000,000	----------
Total	38,827,086	----------

American gray sheetings have always been well known in this market, but our business has not increased, and I fear that it has decreased, although other countries are selling in very large quantities. "Cabot A," a well-known American sheeting, is easily the best on the market, and at one time had the largest sale, but many imitations of this brand have been imported from Italy, Austria, and England, and latterly the word "Cabot" has been used to cover all sheeting in the market. The real "Cabot A" is all cotton and not sizing, as prepared for this market by other countries, but the American manufacturer will not or can not starch up a cheaper sheeting to give it this weight.

American drilling of the blue and black as well as the gray undyed cloth has a considerable sale, the competition of other countries not being as keen as in the sheetings.

On May 3, 1907, the restrictions against cotton-seed oil, which had hitherto only been admitted into the Turkish Empire for industrial purposes after coloration in the custom-house, were removed and its entry permitted after examination, placing it on the same footing as other edible oils. While owing to the high prices then ruling no edible oil was imported, since the drop in prices contracts have been made forward and arrivals of this article have been arranged for at the rate of about 1,000 barrels per month. When the price of this article will permit it to compete with sesame seed oil used for mixing with local olive oil and edible greases we may expect a very considerable increase in its import, as it has hitherto only been imported in small quantities for soap-making purposes.

GOOD MARKET FOR CANDLES.

The annual import of candles into Turkey amounts to about $400,000. The figures in the latest custom-house returns are given as $396,235. Of this amount about four-fifths is for the consumption *of the city* of Constantinople alone. The remaining one-fifth is

imported via Constantinople in transit for other points of the Empire. Candles for this market are made up as follows: Three to 10 candles in a packet, according to thickness, tied with white twine with a gold paper seal, 30 packets in a case. The packets weigh a fraction under 13 ounces each, irrespective of the number of candles forming the packet, and the case weighs 24¼ pounds net. These weights do not vary, so that the less candles the packet contains the thicker the candles are. The sizes 4 and 6 to a packet are those most in use.

At present France supplies the greater part of the superior qualities known as "double pressure" (or extras) and superiors. The extras are quoted f. o. b. Marseille at $24.80 per 100 kilograms (220 pounds) less 2 per cent discount for cash on arrival. The superiors or second quality cost 5 francs ($0.965) less per 100 kilos. Belgium is selling a fair quality of candles in competition with the French article at about 20 per cent cheaper. This brand has also been reduced to 22 pounds per case, which further reduces the price. Her sales are about half those of France. A secondary article with good appearance which claims half the entire importation is of Dutch make. It is packed in cases varying in size from 6½ to 22 pounds and is quoted at about $21 per 100 kilos (220 pounds), less 3 per cent discount c. i. f. Constantinople. A still cheaper grade of good appearance from Austria is sold at $19 per 100 kilos (220 pounds) less 3 per cent discount c. i. f. Turkish ports. To reduce the expenses of porterage, etc., in handling four cases of 24¼ pounds are bound together to make one package, and 8 to 20 of the smaller cases.

The share of these four countries in Turkey's imports of candles are estimated as follows: France, 32 per cent; Holland, 45 per cent; Belgium, 15 per cent; Austria, 8 per cent. It seems to me that we ought to be able to compete in this article, and in the list of importers sent herewith many firms mention it as one they wish to handle.

OFFICE REQUISITES.

The custom-house returns indicate importations of account books valued at $171,569; writing paper, $437,757, and steel pens, $60,063; making a total of $669,389. Under other headings one must look for the host of articles which should be included under office requisites, viz, typewriters, inks, sealing wax, pencils, copying presses, rubber stamps, dating and numbering stamps, etc.

With the exception of typewriters and desks we are not taking any share in this trade. There ought to be an opening for the loose-leaf ledger and calculating machines, but unless we go after this trade it will not come to us. Office writing papers, 95 per cent of which is ruled both horizontally and vertically, is imported, the better qualities from France, the largest share from Austria, and the remainder from Germany. The estimated imports reach 50,000 reams. Blotting paper is imported mostly from Austria, France, and a small quantity from England. Business envelopes, press copy books, and oil sheets are imported from Germany, Italy, France, and Austria. Good copying presses are imported from England and have a very limited sale. Cheap presses from Austria, small sale. Steel pens, imported from England, France, Austria, and Germany. Each of these countries make a special pen for Turkish writing and their sale is increasing. Pencils almost entirely imported from Germany.

Inks principally from England and Austria. Account books are imported from France, Germany, and Italy. A cheaper quality is made locally. All the larger typewriting machines are well represented, but there is an excellent opening for a serviceable $50 machine. Calculating machines are quite unknown, excepting at one or two banks. There is an opening in all these lines for our articles, and we ought to have a share of the trade.

OFFICE FURNITURE—KEROSENE, BENZINE, AND OTHER OILS.

The American roll-top desk is much appreciated and used by heads of administrations, but as only the higher grades are represented, it is very much of a luxury and has a very limited sale. The sale prices of a 5-foot to 5-foot-6-inch desk range from $70 to $110. It will easily be understood that this is prohibitive and prevents its general use in offices. There is an opening for a 4-foot or 4-foot-6-inch roll-top desk which could be sold at $26, and I invite attention to this article.

Furniture in general in Constantinople is high priced, and that of local make of poor workmanship and unseasoned lumber, so that a desk, table, bookcase, or letter file made to order, which has a nice appearance when delivered, warps and cracks to a hopeless degree in its first year. There is an opening for letter-file cases, forms, invoices or insurance-policy cases, and in general for office furniture.

The customs returns place the imports of petroleum at $4,519,231, and machinery oil at $272,063. Of the quantity imported more than one-half comes from Russia, about one-quarter from Roumania, and the remainder is divided between Hungary and America. That of American origin comes here from Italy (Italo-American Petroleum Company). The kerosene imported into this market is in tins containing 33 pounds each, two tins to one case. Total imports about 3,000,000 cases. The present market price in transit (customs duty not having been paid) is $1.20 to $1.30 per case, according to quality.

There is a growing demand for benzine, gasoline, and petrol for the few motor boats in these waters, also for the light-houses in Turkish waters. Such articles are imported from Roumania and Germany. Owing to its inflammability it is only accepted by certain steamship lines as freight, and is packed in tin cans and iron drums.

Of heavy lubricating oils, the total imports were about 8,000 barrels, of which 5,000 came from Russia and the remainder were of American origin imported from Hamburg. Russia sells three qualities: No. 1 (good), No. 2 (thick), No. 7 (very thick). The prices are as follows: No. 1, $4.58 per 100 kilos (220 pounds); No. 2, $4.39 per 100 kilos; No. 7, $3.04 per 100 kilos c. i. f. Constantinople. The American oil which costs $4.82 to $5 per 100 kilos is preferred but considered dear. Roumania at present has small sales, but if the quality is maintained, her prices being cheaper than those of Russia, these sales will increase.

AMERICA'S SMALL SHARE IN CUTLERY.

The customs returns designate only razors and knives, and the amount of the imports of these articles is given as $126,214. Other articles of cutlery, such as scissors and table service, appear no doubt under some other general heading, as the estimated imports of Constantinople alone exceed the above-mentioned amount. However, these are the only figures we have at present to guide us.

While English cutlery bears a good name on the market, it is steadily losing ground to Germany, which claims the largest share of these imports. Germany's success is due to the persistent and intelligent efforts of her large army of commercial travelers, their low prices, their ready imitation of any article which has a ready sale and is appreciated, and the artistic finish of their very cheapest goods. More attention is given to the appearance of a German article costing 20 cents than to any other country's articles costing double that figure.

America's share in this trade is restricted to a few saw-like bread knives. These have no great demand. In the better class of goods, pocketknives, scissors, bread knives, butcher's knives, table knives, dessert knives, and razors, we ought to have at least a share with proper effort.

SILVERWARE AND GLASSWARE.

The custom-house returns place the imports of window glass at $552,815; bottles and glassware, $857,284; mirrors, $95,317; and that of silverware at $48,968. Some of the latter may also be included under fancy knickknacks, for want of a better description, as over a million and a quarter dollars expended for knickknacks is a rather heavy item. The silver-plated ware which has the best name on the market is that of French manufacture because it wears white all through, and the objection to the German article, which is cheaper, is that it soon wears yellow. A large business is done in fancy silverware in trays and servers and fancy fruit, jam, and preserve dishes with the wealthier classes, but of these, to my knowledge, not a single article is imported from America. We ought with our great variety and richness of design to easily take a place in this line. Fine glassware in table and toilet services and chandeliers comes in greater part from France. Ordinary glassware, including lamp chimneys, tumblers, decanters, jam dishes, medicine bottles, wine bottles, come principally from Belgium, Austria, France, and Germany. Window glass and mirrors totals as shown above about $650,000, principally from Belgium.

In the whole of these imports I believe we do not contribute a single dollar.

Austria and Germany pack in cases costing $3 to $4 each; France in barrels at $1 to $1.50 each; Belgium charges 4 per cent of invoice value and packs in barrels.

GOOD MARKET FOR HARDWARE.

There is no general heading of the imports of hardware in the custom-house returns, but this trade is distributed over many different headings such as:

Articles.	Value.	Articles.	Value.
Balances and scales	$30,282	Nails and points	[illegible]
Brass manufactures	122,142	Scythes	[illegible]
Chains	26,515	Stoves and fireplaces	[illegible]
Copper manufactures	37,809	Tinware	[illegible]
Files and rasps	44,790	Tools and implements	[illegible]
Ironware	1,543,246		
Iron and wooden shovels	57,737		
Locks	124,062		

This is too large a subject to go into in detail, but it suffices to say that our share is nil, or at any rate quite insignificant. The trade is shared by Germany, Austria, Belgium, England, and France. With an effort we could take a place in this market. Articles imported are tools for all trades: Blacksmiths, tinsmiths, engineers, cutlers, masons, stone masons, sculptors, locksmiths, gunsmiths, fitters, founders, wheelwrights, coach makers, joiners, carpenters, etc. Hardware for buildings: Locks, padlocks, bolts, faucets, hinges, door and window sashes, door knockers, door bells, hat and clothes hooks, door handles and knobs, etc. Household utensils: Ovens, fireplaces, cook stoves, heating stoves, flatirons, coal scuttles, kitchen and cooking utensils, coffee and pepper mills, baths, slop pails, etc.

Several large apartment buildings are under construction in the European part of Constantinople, known as Pera. In some of these plans have been made for the installation of elevators. I have been able by persistent effort to get the plans of some American elevator firms admitted into competition, and while the plans have not been finally accepted the outlook seems pretty clear that the contract for two large passenger elevators for one building will be given to an American firm. The existence of the installation of these elevators here was entirely unknown to our firms, and the information was hurriedly supplied to their foreign agencies through this consulate-general.

There are many improvements being made in the European quarter of this city, and it would be well for American firms manufacturing not only elevators, but all kinds of hardware and building materials, to give attention to this growing market. Constantinople has a population estimated at over 1,000,000 people, and the market for such American goods has been practically untouched.

SEWING MACHINES AND ACCESSORIES.

I have already mentioned under our imports that sewing machines are responsible for the respectable total of $2,250,000. It is appropriate here to give credit to the enterprising American company to whom almost the entire sum of these figures is due. It is not unusual to throw discredit on certain enterprises which do not work the whole of their capital in the United States, and while, for instance, a shoe of which the uppers were made in America, the soles in England, and the whole put together in Turkey, would be a competitor against the completed article made entirely by home industry, such is not the exact case with sewing machines. In this instance the bulky parts, such as frames and pedals, on which the expenses are heavy, are cast at foundries established in Europe (and I should not be surprised as their trade increases in the Levant if such a foundry were established in Turkey), thus enabling the factory to compete with other countries who may only have to send their goods across the frontier, by reducing its expenses on the bulky and unskilled parts of its manufacture to the benefit of the parts of precision which are made in the United States.

These are legitimate economic methods and are undoubtedly part of the system which has enabled this particular American company to develop its export trade with such success. Such a perfect organi-

zation with an extensive amount of advertisement, periodical expositions and repairing shops and stores where all working parts can be renewed, enables this firm to hold their trade against all competitors and is convincing evidence that where trade is pushed with ability and system success in foreign markets is certain.

BOOTS AND SHOES.

American boots and shoes are run as side lines by several large stores in this city. They are much appreciated and are generally sought after, but until a purely American shoe store, run on American principles is opened, we shall never capture the market, and if we wait for the present taste or fashion to wear off we may even lose the little we are doing. Local makers (and a very good hand-made shoe is made for $4 to $5) are quickly adapting the American styles to suit their customers tastes. Their drawback at present is that the material used is not always of the best quality, and whatever the lasting qualities when material is good, they lack the general finish and appearance of the American shoe. The mistake being made at present is that the dealers are trying to make large profits out of the American articles. A $3 to $3.50 retail shoe is being sold for $4.50, $5, and even $5.80. The ad valorem duty is only 11 per cent on all goods alike, raw or manufactured, and the total expenses from the United States ought to be within the 20 per cent of retail price, therefore a $3 shoe could be sold for $3.50 or $4, leaving 20 per cent to 25 per cent profit. Another very weak point at present is the lack of a full stock of styles and more especially sizes, which is the very essence of our shoe trade. A prospective buyer sees a particular style in a light shade of tan and wants the same in dark or box calf; he enters the store to learn that they don't keep that style in the color wanted, or if they do they have not the size wanted, or may be only keep whole sizes and can not fit the customer.

What is wanted is a shoe store where only American shoes are sold with creams, varnishes, etc., as a side line, and a full assortment in every style and size. I leave it to the enterprise of American makers to develop the idea for their own account or through an agent, and work the market systematically which is now ripe for their advent.

RUBBER OVERSHOES AND RUBBER GOODS.

The Turkish official returns show the following figures of imports: Rubber overshoes, $448,634; rubber sheets and tubes, $80,843; rubber waterproofs and raincoats, $72,656, making a total of $602,133.

I refer to the report from this office on the subject of Turkey's rubber trade, published in Monthly Consular Reports in June, 1907, giving a detailed description of this trade, wherein it was estimated that America's share did not exceed one-fifth, restricted to rubber overshoes, and which could still be further increased. Our advent in this article dates only some ten years back, but we have succeeded in taking a fair share of the trade. Our article has an excellent reputation on the market for its lightness, but a heavy Russian shoe has the largest sale amongst the poorer classes, owing to its great durability, and this notwithstanding its higher price. I think our makers should also compete for this trade with a heavier shoe that is imported to Turkey.

OPENING FOR AGRICULTURAL MACHINERY.

A commission to study the question of reorganizing the administration of the vilayets (provinces) of Mossoul, Bagdad, and Basra with a view to opening up Mesopotamia has been appointed. The commission is composed of Hadji Akif Pasha, director-general of military armaments; Zuhdi Bey and Talib Bey, counselors of State, and Rifad Bey, a high official of the ministry of finance. The large tract of country known as Mesopotamia is considered to be one of the richest countries in the world for agricultural products. The opening up of this country and the increase cultivation and population will create a market for not only agricultural machinery of all kinds, but also mechanical appliances of almost every description. There is already a great demand for oil pumps at Basra and at Bagdad. It is believed, however, that it will be necessary at first, in order to insure the proper setting up and installation of machinery, that a practical man be sent along to attend to this important detail. There have been instances in this country where sales of machinery have been made and no one sent to make the installation, and the machinery either almost irrevocably injured or the whole plant been rendered useless by lack of knowledge of how to put the parts together and to get the machine to run properly. The bad effect of this is easily to be understood. It is to be hoped that American machinery firms will be alive to this new opportunity and get in the field early with their superior machinery, but it would be useless to make the attempt unless they are prepared to see that proper operation of the machines after they are sold is assured.

THE PRESENT AGRICULTURAL SITUATION IN TURKEY.

The failure of the grain crops is more extensive than was at first anticipated. The Government is even distributing grain in certain districts for seeding. The import of wheat and flour, which has commenced with several heavy shipments of flour from Marseilles and one from the United States, will continue until next harvest. With the absence of fodder the farmer is slaughtering his beasts; in other districts the flocks will suffer and the shortage of wool next season will be remarkable. The exportation of eggs, which has reached an important stage on the coast of the Black Sea, owing to the absence of grain for feeding poultry and the necessity of killing the producer, has received a check.

This market had been maintained for some time back on credits and financing facilities offered by the advent of certain newly established banks. The easy terms offered by these banks to obtain custom tempted local firms to develop further transactions by increasing their credit. The first result of the tension on our own market was the general instruction to local banks to reduce their credit, and while this did not much affect the conditions on which the older banks had been working, this sudden stoppage of credit and discounting at a time when, owing to the failure of crops, local firms could not collect form their clients in the interior, meant the failure of all their resources. Owing to the American importer declining to purchase in the market there was an accumulation of export
andise, upon
which the holders could not even obtain ad
All exports
drooped, even the fall in raw silk might be
rectly to our
own crisis.

DIRECTIONS FOR TRADE EXTENSION.

SUGGESTIONS TO AMERICAN EXPORTERS.

The share of the United States in Turkey's imports is insignificant at present, but our efforts only date back some ten years, before which date with but one or two exceptions our goods were unknown in this market. In order to increase our share of Turkey's imports our manufacturers should quote lower prices. It is not uncommon for a local firm, after having received quotations direct from a manufacturer in the United States, to buy the same manufacturer's goods through an export house at Hamburg, Antwerp, or Rotterdam at a less price than that which was quoted to him direct. When the local buyer happens not to be in touch with such export houses the order will be lost to the manufacturer, who is not treating all his buyers alike.

LOW FREIGHT RATES AND QUICKEST DELIVERY.

Our manufacturers have yet to be educated to the obligations they are under to their buyers. I could relate many instances where prospects of developing a regular business have been lost by the manufacturer's interest ending with the booking of an order. The goods when ready for shipment are generally handed to a shipping agent, whose charges are often more than double the amount that would have been paid had the manufacturer corresponded with a steamship company, obtained the best freight rate and the quickest delivery, and then addressed the goods direct to the steamship company for shipment. German firms, who are the keenest competitors for this market, have realized this and know that if they can get the goods to the consumer with the minimum amount of charges they increase their chances of securing another order. They pay freight in advance, although no cash has been received with order, so as to obtain for their client the extra 5 per cent discount for freight prepaid. Certain German firms even go so far as to undertake delivery of goods intact to their consumers, taking upon themselves the risk of breakage and damage, which is of course covered by insurance. I do not recommend this for imitation, but rather to show the contrast to our own methods of disinterestedness, when, how, or whether the goods ever reach their customer.

CHEAPNESS AND COMPETITION.

This market is essentially a cheap market. Cheapness is the first consideration. For example: A joiner, whose place of business is outside the city, will come into the city to buy a plane or a saw. He knows exactly what he wants and will not take one which differs in design from that which he has been accustomed to use. The question interesting him is one of price, and he will visit a dozen stores and then return to the one that offered him what he required at the cheapest price before making his purchase. Having secured his article at 10 cents cheaper he gives no further consideration to the trouble it cost him, nor for his half day wasted. Matches, which are imported [illegible] t poorest traders, are sold to the retailer at their actu[illegible] profit of the importer will be the 40 or 50 cents obta[illegible] packing case in which the 12 dozen hox[illegible] I wish to emphasize that the trans-

portation charges are of considerable more importance than the extra 5 per cent discount the buyer may try to obtain from the manufacturer before placing his order.

The great majority of the local consumers and those who draw their supplies from this center are people with very limited means who have to weigh every cent before spending it, and the dealers' sole idea is to reduce the price of his articles even at the expense of their quality or by reducing their weight and dimensions, and this not with a view of making a larger profit, but in order to be able to sell cheaply. Merchandise of good quality has a sale here, but speaking generally for the above reasons goods for this market are of a secondary quality and must be cheap.

WHERE AN AGENT SHOULD ACT.

On the other hand, it is to the advantage of certain goods of standard quality to be sold only by a few good dealers, and here the intelligence of an agent has considerable scope. A certain firm's biscuits, another's starch, a particular brand of petroleum, and the same obtains with any article whatsoever which has made a name for itself, is safer if handled only by a few important dealers. To explain what may not be clear at first sight, it is not uncommon for a dealer to sell a particular article or brand of goods at cost price, or at even less than cost, with a view of attracting custom for other goods which he may sell and which leave a greater profit. The result is that his competitors have to follow his lead and eventually the article is dropped entirely and a cheaper one substituted in its place. An intelligent agent will place his goods in the hands of a few serious dealers who are content to sell with a reasonable profit. Some firms by indiscriminately accepting orders from one dealer for five cases, while having booked orders for hundreds from others, have ruined their own prospects. This detail may seem unintelligible to those unacquainted with this market, but it is one of its peculiarities and it is worth calling the attention of prospective exporters to such apparently unimportant matters for their future guidance.

THE TRANSPORTATION QUESTION.

It is not within my province to recommend any one steamship company; their several capabilities can be learned by correspondence with them direct, suffice it to say, that one of them delivers goods from New York to Constantinople in less time than it takes goods from Liverpool or London to reach here and the freights of several companies from New York to Constantinople are no higher than those from Liverpool or London. An express company or forwarding agency is often bound by contract to use certain lines, and if the goods take longer, or the freight is double the rate by another company—well their commission is the larger.

The general complaint is that American manufacturers fail to ship within the time promised, and I must say that several cases brought to my personal attention bear out this statement. I am aware of one instance where shipment was promised within fifteen days, but without any excuse was only made in three months, and then, through being intrusted to a forwarding agency, only reached the buyer after eight months, cash having been paid with order. In another instance, reasonable promptitude having been promised, the *goods* were shipped twelve months after acknowledgment of order.

When the goods arrived they were found to be parts of two different-sized machines. In this case the buyer borrowed money at interest to pay cash with order, and placed his order with the United States after comparison with other makes of machines. Such instances not only do harm to the maker immediately concerned, but also to other American firms who may attempt to do business for several years to come.

IMPORTANCE OF THE CREDIT SYSTEM.

I do not recommend giving indiscriminate credit, but there must be a happy medium. Some firms anxious to do business in this market go to the extreme of sending goods on credit to the first correspondent who places an order, certainly without having obtained any information of his rating. I have received claims from American firms against one and the same firm of no standing for goods as widely different as gold pencil cases, toilet soap, and leather belting; in the latter case for a very considerable sum. On the other hand, if a firm's rating is good, and as a New York commercial agency is represented here, it is a very simple matter to obtain information. A buyer has a perfect right to use his capital to the best advantage, and ought not to be expected to advance the capital for the manufacturer to make his goods and thus to stand out of the same for two or three months until their receipt. Reasonable terms, which our competitors consider good and which are acceptable to most firms, are cash against draft through a bank with documents attached. Foreign banks will give value against such drafts, and if our banks are to further commerce they must do the same. As the buyer can not obtain possession of the goods until he takes up the draft, this system is perfectly safe.

The only reasonable argument against this practice is that of the manufacturer who desires to be covered for goods for a special market, but an equally reasonable reply is that no new markets can be developed without some risk being taken, and if our own manufacturers have no enterprise in this direction, we must be content to take about seventh place in this country's imports.

SUITING THE REQUIREMENTS OF THE MARKET.

This market, like all others, has its peculiarities, which must be met if business is to develop, whether it lies in the length of goods, in the marking of packages, or in the method of packing. I will give two eloquent examples: One firm was open to do business in this market and the consulate-general obtained all the information it could regarding requirements (almost invariably second or third quality grades rule). After making clear the goods which were in demand, the manufacturer, who was himself in this city at the time, replied, "I have all the market I require for that grade of goods. What I want to sell is my 'A 1 Special Brand.'" The result was that no business was done. A result of a totally different character was a letter recently received from a manufacturer who said he could make what the market required; that he was prepared to meet all competition, and to spend money to obtain a footing. He would equip any hospital, hotel, or public building for two years with his goods free of cost as an ocular demonstration of what they were like. In this case business will result even if his offer is not availed of.

THE NECESSITY FOR BETTER PACKING.

One can hardly read a report from our consular officers the world over without finding a reference to the carelessness of the American manufacturer in his methods of packing. It is evident that in the packing department all goods are treated alike, whether for local delivery, interstate or foreign commerce. When will our manufacturer learn that goods for a 6,000-mile sea journey with transshipment can not be packed in the same manner as those intended for home trade, and insist upon a proper supervision in their packing departments? The buyer abroad has every right to receive his goods in a salable condition. Often when explicit instructions are given with order these are completely ignored. Even when the manufacturer is liable enough to duplicate broken parts the buyer's capital is locked up for the space of at least two months, as the goods are not marketable until the broken parts are received, always supposing the goods were in a condition not past repair.

I will relate as an example a case brought to my attention when collecting information for this report. A member of my staff interviewed a dealer in agricultural machinery in regard to the extent of his dealings with the United States, and having obtained his figures was about to withdraw. Looking around the store and noticing general goods the staff member inquired about the dealer's commission business. Upon being asked if there were any other American articles he could be put in touch with, the merchant mentioned "stoves." And here he waxed eloquent, his eyes sparkled with delight. In "American stoves," he had found an article, words failed him to describe: fine, beautiful, excellent, perfect, nothing like it on the market, but what? He had given an order for twelve stoves, but the goods were not packed at all; they were simply stood upright in a wooden box, fit to deliver from one point of a city to another. Of the twelve stoves, the seven largest arrived broken to pieces, and—well, simply, he was not dealing in American stoves, but they were beautiful stoves. This man is an honest but disappointed dealer.

An American missionary in Van ordered a French range from a dealer and asked that it be packed in accordance with the journey it had to be sent. Notwithstanding its long spindly legs, it was so packed that it reached its destination, by steamer to Black Sea port and thence ten days' journey in springless cart over rough mountain road, with not a scratch. Surely what can be accomplished by a local dealer ought to be possible to the American manufacturer.

CONCERNING THE SELECTION OF AN AGENT.

To do business one must appoint the right kind of agent, not indiscriminately the first applicant unless he can offer results. The market requirements must be studied through this agent. Business can not be done by distributing catalogues wholesale; to the untrained eye, even when beautifully illustrated, they are absolutely useless and represent money and energy misspent. Drummers should visit this country when the firm is prepared to increase its business. Even when their business is on a firm footing, French, German, and Italian firms send their travelers here twice a year, who canvas with their agents, stir up their regular customers, and solicit new orders.

When corresponding for appointment of an agent, it is advisable *not to write to* several firms at the same time. In this country, where

the foreign element is in the minority and does not associate with the natives, everybody knows everyone else, and notes are often compared; where agents are given to specialize it is not uncommon when two agents find themselves in correspondence with the same firm, for both to drop the firm simultaneously. Failing results with the first firm written to, try another, this may be the slower method, but is the more sure and successful.

Constantinople is the great distributing center for the whole Empire. As many of these firms have branch houses in the provinces it would be advisable to deal as largely as possible with agents here who will handle the business throughout Turkey better than the manufacturer. Before making business connections in the provinces ascertain from your agent the districts in Turkey in which he sells your goods. The merchants of Smyrna also distribute over a large territory in Asia Minor.

NAMES OF FIRMS WITH WHOM TO DO BUSINESS.

I give as full a directory as practical of firms handling or who are prepared to handle this country's principal imports, and while I take no responsibility for their standing, even when I personally know it to be good, I suggest that in all cases satisfactory references be obtained before business is attempted. Inquiry can be made through one's own banker or for a small fee through a commercial agency. [The names sent by the consul-general are on file at the Bureau of Manufactures.]

It should be always remembered that while care should be exercised in selecting customers and agents in Turkey there are many merchants here just as worthy of credit and confidence as in the United States. When a firm is represented as such, either by a bank or by a responsible commercial agency, it should be given the same credits and treated with the same confidence in claims for breakage, and in all other ways, as though it were in the United States. So much credit is given here by our competitors that we should relax as far as possible in this direction. Cash against documents is a perfectly safe way, for the customer can not get the goods before he pays the bill at the bank to get the documents upon which he receives the goods.

The firms given in the list I send are all live and energetic firms and I should like each one to be given a chance. Their order on my list has no bearing whatever upon their standing or commercial importance. If for some reason or other (some firms are under contract to European makers) no result comes of an inquiry, try another firm on the list and go on trying until the satisfactory connection has been formed. I believe that if all of these firms should be written to by different manufacturers who are capable of handling export trade, our exports to Turkey would be doubled or trebled within a very short space of time.

When no street address is given, "Constantinople" or the respective city is sufficient address. All letters for reply should be marked "Via London Open Mail."

STEAMSHIP COMPANIES.

In the absence of a direct service between the United States and this port, goods are shipped in transshipment from Liverpool, Hull,

Antwerp, Rotterdam, Hamburg, Havre, Marseille, Genoa, Naples, or Trieste.

By the North German-Lloyd, in conjunction with the Deutsche Mittelmeer Levant Linie, goods shipped from New York direct to Naples and thence transshipped to Constantinople, calling at Piræus and Smyrna, reach here in twenty-two days. Sailings from New York every Saturday. The freights are no higher than any other line to Constantinople; in fact one of the largest shippers to Constantinople has made arrangements with this line to carry all his goods at a lower rate than other lines.

There are weekly sailings from New York to Hull by the Wilson Line and fortnightly sailings from Boston to Hull. Transshipment is thence made to Constantinople by the same company's steamers sailing fortnightly. Average freight 20 shillings to 24 shillings ($4.86 to $5.83) per ton measurement or weight. Duration of journey, if the steamers from the United States have to wait for the connection at Hull, five weeks or longer.

There is also a regular service via Genoa and Naples from New York by the "La Veloce" line of Italian steamers, with transshipment at these ports for Constantinople, calling at Mediterranean ports and Candia, Piræus, Smyrna (alternatively Salonica), and Dardanelles by the Navigazione Nationale Italiana Company's steamers. Duration of journey twenty-five to thirty-one days. Freights for Constantinople can be ascertained from the New York office of the "Veloce Company."

Transshipments are also made at Trieste by the Cunard and Austro-Americana of Trieste from New York in conjunction with the Austrian Lloyd to Constantinople and other Turkish ports.

The Cunard Company have weekly sailings from New York and Boston, with transshipment at Liverpool for Constantinople. Duration of voyage thirty-five days.

SERVIA AND ROUMANIA.

INTRODUCTION.

The review of the commerce and industries of Servia and Roumania for the year 1907 as presented in reports made by American consular officers in those Kingdoms and as derived from other sources is given herewith.

The resources and industries of those countries are less known, perhaps, to Americans in general than those of the other countries of Europe. Although ranked as distinctly agricultural states, Servia being the more fertile of the two, both of them have important mineral resources, which are in the course of development. Both countries have also given great encouragement in recent years to manufacturing interests; Servia particularly, being far more populous than Roumania, has made great progress in that direction. In order to promote mining and manufacturing interests unusual privileges are granted to foreigners willing to invest their capital.

Importations into those countries from the United States are small, yet the official figures do not indicate their actual size, American goods being imported mainly through European houses and credited to other countries. Servia grants the advantages of "the most-favored-nation clause" to American importations, and with a rapidly growing foreign trade in both of the Kingdoms it would appear that in a number of lines, such as cotton and leather goods, agricultural machinery, hardware, typewriters, electrical supplies, etc., proper effort would result in a considerable increase of our trade.

Owing to the difficulties between Servia and Austria-Hungary which led to the denunciation of the commercial treaty and forced Servia to look elsewhere for markets for her chief products, the trade between the two countries was greatly retarded for two years, but Servia was successful in finding other markets, and her exports actually increased. In 1906 the exports from Servia were $13,978,449, and in 1907, $15,863,136, an increase of $1,884,687. For the first six months of 1908 the exports were, in value, $4,234,318. The imports in 1906 were valued at $8,629,009, and in 1907 at $13,739,749, showing an increase of $5,110,740. A new treaty has gone into effect with Austria, and the trade of Servia has increased accordingly.

The direct exports from the United States to Servia in 1907 were only $352 in value, and the records of the United States fail to show that anything was exported to Servia in the previous year. The imports from Servia in 1907 were, in value, $61,225, and in 1906, $42,083. For the first eleven months of 1908 the exports to Servia had increased to $5,229, while the imports from that country were $164,175, but, as already stated, American products go to Servia through German and other foreign houses and are credited to the last country from which they come. In the same way the imports from that country are brought through other countries and are credited to them.

To Roumania the United States exported directly in 1907 goods amounting to $713,561 in value, which was over twice as much as in the preceding year, although $300,000 less than was directly exported in 1905. The direct imports from Roumania were $8,421 worth, which was more than in the preceding year, but both imports from Roumania and exports to that country largely go indirectly and are credited to other countries. The exports to Roumania for eleven months in 1908 were, in value, $473,654 less than for the corresponding months of 1907, while direct imports were, in value, $12,103.

There is opportunity for a large increase in the trade with both countries, and particularly with Servia, which allows, under the "most-favored-nation" clause, the same rates to the United States as to Austria-Hungary on flour, cotton-seed oil, boots and shoes, etc. If this opportunity is taken advantage of by American exporters, it will greatly increase the trade between the two countries.

REVIEW OF TRADE CONDITIONS OF SERVIA.

The foreign trade of Servia in 1907 increased in both imports and exports, as compared with the preceding year. The imports were $13,739,749 in value, and the exports, $15,863,136.

The imports from Austria-Hungary were $4,983,285, an increase of $660,568 over the previous year, notwithstanding the tariff war between the two countries. The exports to Austria-Hungary in 1907 were $2,517,415, or $3,329,678 less than in the preceding year. Servia imported $3,955,549 from Germany in 1907, and her next largest import was from the United Kingdom, $1,989,478. The principal articles of import were cotton tissues to the extent of $1,418,589, and cotton yarn, $1,170,325. Raw hides and skins were imported to the value of $895,942, and woolen tissues, $551,651; steam machinery, $887,616; sewing and knitting machines, $313,217; tobacco, $177,919; leather, $201,472; agricultural machinery, $85,868; machines and apparatus, $75,858; railway carriages, $81,771; cotton-seed oil, $69,036, while copper wire and sheet-iron tubes, cotton lace, copper goods, etc., ranged from $67,833 to $55,730 in value each.

In the imports class 1 comprised animal and vegetable textile materials and manufactures thereof, $4,486,503. Other classes were products of agriculture and forestry, other animal and vegetable products, and articles of food and drink, $3,166,047; metals and manufactures thereof, $2,055,930; machines, apparatus, electrical and technical goods, vehicles, and vessels, $1,238,372; leather, and manufactures thereof, $511,342; chemicals and coloring materials, varnishes, alcohol, artificial manures, explosives, etc., $778,634. The imports of coal have gradually decreased since 1900 until they amounted in value in 1907 to $39,433, while the exports were in value $15,758.

The largest in value in articles of export in 1907 were, in their order, dried plums, corn, wheat, crushed prunes, barley, raw hides and skins, eggs, and copper.

The new commercial treaty between Servia and Austria-Hungary, which went into effect on March 14, 1908, enables the United States to get reduced rates in Servia on flour, cotton-seed oil, leather, boots and shoes, gloves, manufactures of wood, furniture, paper, glassware, iron, agricultural implements, safes, and electric motors and apparatus. Austria-Hungary reduced duties on cereals, fruits, and live stock, and the United States gets the benefit of these reductions.

SERVIAN REVENUES AND IMPORTS.

The revenues of Servia for 1908 were estimated to reach $18,652,973, one-quarter of which comes from direct taxation, and a little more than that amount from government monopolies. These monopolies are controlled by a board of administration which includes a German and a French delegate, and the revenues from that source go to pay the public debt. There has been rapid development in the revenue from monopolies, it having doubled in ten years.

The expenditures in 1908 were estimated to reach $18,644,388, more than one-half of which was for the public debt and the army, the public debt taking $5,259,513 and the army $4,221,853. For education, $1,300,493 was expended. On January 1, 1908, the funded debt amounted to $106,343,147, or about $38.40 for each inhabitant,

and the taxation, on account of the public debt, amounted to $1.90 for every inhabitant.

The following table, furnished by the British vice-consul at Belgrade, giving the value, distribution, and increase or decrease of the import trade of Servia from the different countries during the years 1906 and 1907, will be interesting to American exporters (£1=$4.86):

Countries.	1906.	1907.	Increase.
America	.....	£7,440	£7,440
Austria-Hungary	£888,260	1,023,998	135,738
Belgium	15,317	30,228	14,911
Bosnia	849	2,002	1,153
Bulgaria	20,161	12,335	a 7,826
Greece	4,167	12,747	8,580
Denmark	25	95	70
United Kingdom and colonies	182,516	408,811	226,296
Italy	37,469	91,980	54,511
Germany	389,309	812,816	423,507
Norway	.....	937	937
Portugal	.....	105	105
Roumania	30,768	70,081	39,313
Russia	48,730	14,145	a 34,585
France	45,705	97,144	51,439
Turkey	73,835	133,061	59,226
Netherlands	9,060	44,864	35,804
Montenegro	951	2,502	1,551
Switzerland	25,831	56,954	31,123
Sweden	.....	463	463
Spain	192	624	432
Total	1,773,145	2,823,333	1,050,188

a Decrease.

EXPORTS OF SERVIA.

Consul Robert S. S. Bergh sends from Belgrade the following statistics showing the exports from Servia for the first six months of 1908:

Articles.	Value.	Articles.	Value.
Agricultural products:		Animals and products—Continued.	
Bran	$49,811	Pork	$75,781
Cereals	1,173,979	Poultry	3,178
Flour	60,569	Skins	233,165
Hemp	89,665	Other animals	76,814
Prunes	149,024	Meat (fresh)	439,906
Prunes, crushed	55,401	Other products:	
Other fruits	56,799	Minerals	93,522
Animals and products:		Briquettes	19,193
Bacon	105,888	Coal	20,468
Butter	28,196	Copper	231,892
Cheese	18,260	Cordage	105,008
Cocoons	96,461	Wood (for construction and fuel)	351,815
Eggs	156,606	All other	215,500
Lard	75,781		
Oxen	251,636	Total	4,234,318

INDUSTRIAL AND COMMERCIAL OUTLOOK.

By Vice-Consul Woislav Petrovitch, Belgrade.

Comparatively few people in the United States and in western and central Europe have an adequate conception of the richness and beauty of Servia. The Danube and the Sava, whose confluence is at Belgrade, form the northern boundary of the Kingdom, and afford communication with central Europe. Servia is, however, the only European country, with the exception of Switzerland, which has no outlet to the sea. Besides those two large frontier watercourses, Servia

has a third, the Drina, which forms the western boundary. It is navigable at present by only small steamers, but will soon become navigable by larger vessels, as will also the Morava, which traverses and divides Servia into two equal parts and which will soon unite the center of the country with the larger navigable streams just named. From the Morava Valley to that of the Vardar, which flows toward Salonica, the distance is very insignificant, and a channel joining the two rivers is an early possibility. The Danube would then be in direct communication with the Ægean Sea by means of navigable waterways, a thing of great importance for the Balkan peninsula.

Servia is a mountainous country. There are no less than 21 mountains, each exceeding an altitude of 1,000 meters (3,280 feet), some of them reaching a height of 2,000 meters (6,560 feet). This mountainous configuration gives to the country a very Alpestrine character, and certain regions thereof yield nothing in beauty to Switzerland itself. It is rich in forests and in minerals, and a country in which all agricultural products are possible. The soil is very favorable to the culture of tobacco; the best qualities of corn grow well; numerous vineyards produce excellent wines; and in fruits, especially plums, Servia enjoys a high reputation in the markets of the world.

COMMERCIAL AWAKENING.

For some time Servia has been remarkably prosperous and is growing rich by improving her commercial relations with other nations, and by developing her resources. The building of highways and railways was stopped during a period of twenty-five years, but at present efforts are being made to repair this dearth of means of communication. Within four or five years the railway system will be completely finished, and the most distant parts of the country joined to other European markets. Thus it is easy to understand that the exploitation of mines and forests will very shortly assume proportions hitherto unknown. American and European capitalists look upon Servia with growing confidence. The investment of foreign capital is constantly increasing, and the opinion formerly prevalent concerning the insecurity of capital is disappearing rapidly.

In spite of all its disabilities Servia is capable of furnishing to the markets of the world a certain amount of very important articles, such as corn, barley, and wheat; plums, prunes, and prune marmalade (a large amount of which is consumed in the United States); oxen, hogs, and sheep; poultry and eggs; hides and skins; silk cocoons; spirits; timber, etc.

One of the best proofs of the increase in Servia's productive activity is the fact that her exports have nearly doubled during the last twelve years, amounting in 1895 to only $8,492,000, while for 1907 they are estimated at over $16,000,000.

FORESTS AND MINES—CATTLE BREEDING—FRUIT CULTURE.

Servia is especially rich in forests and minerals. The forests cover nearly a quarter of the whole surface of Servia. Oak woods cover one-tenth of the total forest area, and pines and firs cover the same proportion. Nearly two-thirds of the forests are the property of the Servian Government, which grants numerous concessions for their exploitation.

Mineral prospecting is still in progress, and new discoveries of ores are constantly reported. The country is practically rich in iron ores, coal, lead, copper, and antimony regulus, the latter being largely exported to the United States. The water courses of eastern Servia contain large quantities of auriferous sand, and remarkable washings have been made, especially during the last five years.

Oxen and swine form Servia's most important exports. They formerly sold well in the cattle markets of Budapest and Vienna, but changed conditions have diverted the trade more recently to Egypt, Malta, Italy, Switzerland, and France. Preserved meats are exported with success. Besides the large abattoir of Belgrade, founded and worked by Servian capital, there are many others recently established in the interior of the country, assisted by Servian and foreign capital.

Among all the fruits that Servia exports, plums must be mentioned as chief. They are exported as prunes or else as marmalade, and have acquired a well-earned reputation in foreign markets. Besides prunes other fruits and preserves are exported to a considerable extent.

COMMUNICATIONS—COMMERCIAL AND MINING CONCESSIONS.

Servia possesses extensive waterways and railway routes, which give it communication with the outside world. By the Upper Danube it has communication with Regensburg and thence, by canal, with the valley of the Main and the Rhine; and by the Lower Danube communication is secured with other parts of Europe. It also has communication with the outer world through the Roumanian port of Braila. The country has one main railway line running from Belgrade to Nish and Saloniki, by which the time of transportation is notably shortened, and it has obtained advantageous concessions from the Ristovatz-Saloniki Railway. Saloniki is an international port, in direct communication with all ports of the Mediterranean Sea and Atlantic Ocean, and is distant only 76 miles from Servia. The Hungarian State Railway connects Belgrade with Fiume, an important port, to which come several lines of steamers from the United States.

Servia is traversed nearly centrally by an important railway, the Paris-Vienna-Constantinople line.

In order to facilitate commercial relations with foreign countries, Servia grants very favorable concessions to foreign merchants, viz: A reduction of 50 per cent of its railway tariff on the Belgrade-Saloniki Railway line; does not collect any fees for exports, and exempts them from all taxes and imposts; and gives them, without any charge, all necessary information, while they enjoy the same rights as the natives.

Foreign capitalists desiring to invest in mining enterprises enjoy the same rights and concessions as Servian subjects. The search licenses include the actual search licenses, the exclusive licenses, and exclusive licenses for the ores already discovered, for a period of fifty years, which may also be lengthened indefinitely. Moreover, the privileged persons are freed from all custom-house duties for the importation of machines and all articles half wrought; the forests of the Servian Government furnish them without any charge all the wood necessary for mine constructions; and the Government grants substantial reductions on the railway tariff, etc.

INDUSTRIAL CONCESSIONS—AMERICAN PRODUCTS IN SERVIA.

Servia grants also very large concessions to capitalists wishing to invest their money in any industrial enterprise. These concessions are granted according to the needs of the respective enterprises, but in general they consist of the following:

(1) Building sites for factories are given gratuitously; also (from the government forests) wood for construction; and the railway transportation of all necessary materials for construction is reckoned according to the minimum tariff; (2) the privileged persons are freed from the payment of all custom-house duties on their machines, apparatus, and tools, as well as on all raw materials, and, in general, on all articles half wrought which can not be purchased in the country; (3) they are free from all imposts and taxes during ten years at least; (4) they are allowed on the railways a reduction of 25 per cent on transportation rates for all raw material; (5) stone, sand, and coal are supplied by the Government at greatly reduced prices; (6) the expropriation of private grounds for the use of respective privileged persons is executed according to the law on expropriations in behalf of the Servian Government.

During the last three years, Servia has imported considerable amounts from the United States. Before the end of 1907 and in the first five months of 1908 large shipments of American shoes, electrical supplies, hardware, agricultural implements, etc., were received in Servia, and it is very probable that this will be continued and constantly increased. This could be realized very soon if American exporters would organize a commercial and industrial museum at Belgrade, in order that Servian importers might acquire a closer acquaintance with American merchandise. [Vice-Consul Petrovitch transmitted, with the foregoing report, a list of the most important exporters of Servia, and two topographical maps of the country, which are on file in the Bureau of Manufactures.]

IMPORTS AND EXPORTS.

By CONSUL M. K. MOORHEAD, BELGRADE.

Servian imports and exports in 1906 (the figures for imports in 1907 not yet being available) showed a marked decrease. The imports for the five years 1902–1906 were as follows:

Years.	Imports.	Exports.	Years.	Imports.	Exports.
1902	$8,964,150	$14,427,732	1905	$11,120,128	$14,399,254
1903	11,647,052	11,993,480	1906	8,865,728	14,328,819
1904	12,185,281	12,413,213			

The imports from and exports to Austria-Hungary during 1905 and 1906 were as follows:

Years.	Imports.	Exports.
1905	$6,675,101	$12,942,841
1906	4,441,299	6,006,495
Decrease	2,233,802	6,936,346

This table shows a decrease of nearly 10 per cent in imports from Austria and 48 per cent in exports thereto. Servia, however, was able to nearly make up for her loss in that market by increasing her sales, to a very marked degree, in Belgium, Turkey, France, Germany, etc.

EXPORTS BY ARTICLES IN 1907.

In 1907 the toal value of Servian exports to all countries, according to the unrevised figures recently published in the Official Gazette, amounted to $16,001,406, an increase of $1,680,587 over 1906 and $1,602,152 more than in 1905, the last year when trade with Austria-Hungary was normal. It would appear then that Servia has been successful not only in getting new markets for her products, but also in increasing her exports at more than the normal rate, even though one of her most natural markets showed a loss. Servia's natural outlet for her cattle, swine, and agricultural products is, of course, Austria-Hungary, and should the treaty now under discussion at Vienna be put in force, it may be expected that trade will tend to revert to its customary course.

The following statement shows the exports from Servia, by articles and classes, in 1907:

Articles.	Quantity.	Value.	Articles.	Quantity.	Value.
	Pounds.			*Pounds.*	
Agricultural products:			Meat and bacon	10,080,433	$950,592
Barley	68,406,010	$830,152	Manufactured articles:		
Bran	18,214,192	168,446	Rope	1,560,526	135,137
Corn	225,364,277	2,358,582	Wood goods	Unknown.	318,303
Flour	2,557,357	160,951	All other manufactures		411,201
Hemp	4,694,825	342,523	Minerals:		
Oats	17,357,543	205,136	Briquets of coal dust	17,889,080	48,786
Prunes	29,272,500	851,565	Coal and brown coal	47,048,650	78,798
Do	93,737,588	3,152,992	Copper	3,235,894	479,683
Rye	7,032,628	98,796	Unclassified		537,768
Wheat	116,030,167	1,934,441	Recapitulation:		
Animals:			Agricultural products		10,103,584
Cocoons	235,169	152,688	Animals		1,506,055
Horses		47,682	Animal products		2,401,091
Oxen		426,806	M'f'd articles		864,641
Pigs		517,014	Minerals		588,267
Poultry and other animals		361,865	Unclassified		537,768
Eggs	4,790,372	522,576			
Hides	2,433,279	549,640	Total		16,001,406
Lard	3,366,083	378,283			

IMPORTS BY ARTICLES.

The following statement shows the imports by articles into Servia in 1906, the latest year for which statistics are available:

Articles.	Value.	Articles.	Value.
Agricultural products:		Manufactures:	
Rice	$108,776	Agricultural products, manufactured	$586,154
Coffee	147,008	Beverages	34,607
Grapes	159,989	Chemicals and drugs	755,733
Flowers, seeds, and plants	111,250	Electrical apparatus	87,771
All other	109,271	Food manufactures	16,682
Total	636,294	Forestry products	176,394
		Glassware	111,051
Animals, live	25,726	Jewelry	18,099
		Leather goods	40,729
Animal products:		Machines and machinery	345,992
Fish and their products	128,509	Metal manufactures—	
Hides	665,369	Ironware	1,070,323
Wools	146,594	Copper ware	120,018
All other	56,538	All other	85,043
Total	997,010	Total metal manufactures	1,275,384

Articles.	Value.	Articles.	Value.
Manufactures—Continued.		Manufactures—Continued.	
Oils: petroleum, naphtha, etc	$172,043	Textiles—Continued.	
Paper of all kinds	292,482	All other	$17,847
Scientific articles	32,688	Total	2,560,941
Soap	35,390	Vehicles—	
Stone and earthenware	86,819	Railway cars	188,613
Textiles—		All other vehicles	12,781
Clothing	215,679	All other manufactures	375,755
Cotton goods	1,548,830	Total manufactures	7,206,114
Hemp and flax goods	89,223		
Silk goods	80,934	Total imports	8,865,144
Woolen goods	608,428		

IMPORTS AND EXPORTS BY COUNTRIES.

The following statement shows the imports and exports of Servia from and to the several countries in 1906, the latest year for which statistics are available, and the percentages of the several countries in the total trade:

Countries.	Imports.		Exports.	
	Value.	Per cent of total.	Value.	Per cent of total.
Algeria			$2,520	0.02
Austria-Hungary	$4,441,299	50.10	6,006,495	41.96
Belgium	76,583	.86	1,251,986	8.75
Bosnia	4,244	.06	12,280	.09
Bulgaria	100,801	1.14	738,984	5.16
Greece	20,833	.24	84,164	.59
Great Britain	912,581	10.30	13,112	.10
Italy	187,344	2.12	114,464	.71
Germany	1,946,544	21.96	3,810,776	26.64
Norway			9,289	.07
Roumania	153,838	1.74	470,890	3.29
Russia	243,652	2.75	30,330	.21
Turkey	369,176	4.13	1,082,186	7.56
France	228,524	2.58	670,644	4.69
Holland	45,302	.51	17,440	.12
Montenegro	4,755	.05	1,636	.01
Switzerland	129,154	1.46	3,623	.03
Spain	963			
All other countries	135			
Total	8,865,728	100.00	14,320,819	100.00

MISCELLANEOUS STATISTICS.

The chief receipts of the government, the mineral products, population, and number of animals of and in Servia, are given as follows:

Government receipts.	1906.	1907.
From monopolies:		
Tobacco	$3,126,960	$3,206,826
Salt	1,008,878	1,047,277
Petroleum	681,713	720,774
Stamp taxes	1,135,239	1,216,416
Matches	159,385	172,641
Cigarette paper	251,065	254,852
Custom duties	1,791,101	2,426,681
Consumption tax	125,919	881
Total	8,279,760	9,076,348
From Servian State Railway	1,805,272	2,237,419
Total principal government receipts	10,085,032	11,313,767

The principal mineral products in 1906 were as follows:

Articles.	Metric tons.	Value.	Articles.	Metric tons.	Value.
Coal	635,081	$190,382	Lead and zinc ore	102	$643
Brown coal	1,343,906	198,157	Antimony	3,200	91,584
Lignite	396,080	41,707	Stone	3,606	4,62
Gold		79,244	Cement	92,357	67,134
Silver		79			
Copper	7,613	314,089	Total		989,786
Lead	213	2,189			

The population of the chief Servian cities in 1905 was as follows: Belgrade, 77,816; Nish, 21,946; Kragujevatz, 15,596; Leskovatz, 13,647; Pozarevatz, 12,162; Shabatz, 10,829; Vranja, 10,110; Pirot, 10,000. Population of Servia in 1905 and 1906, 2,688,025 and 2,735,-147, respectively.

The number of animals in Servia on December 31, 1905, is given as follows: Horses, 174,363; cattle, 962,503; buffaloes, 7,450; asses, 1,247; mules, 739; hogs, 908,108; sheep, 3,160,166; goats, 510,063; total, 5,724,639.

TARIFF CHANGES AND CERTIFICATES OF ORIGIN.

In 1907 commercial treaties were concluded with Russia, Switzerland, Montenegro, Sweden, Italy, the United Kingdom, France, Roumania, and Belgium, by which large reductions in tariff rates were made on goods entering Servia. Agricultural implements and machinery were placed on the free list, and the duty on cotton goods was reduced. Articles from the United States are dutiable according to the rates charged to the most-favored nation.

Certificates of origin, issued by a chamber of commerce or a notary public, must be furnished by those shipping goods to Servia. American exporters have been very remiss in this regard. If this certificate is not furnished the Servian importers must pay the increased duty of the general tariff.

TRADE WITH THE UNITED STATES.

The Servian official statistics do not show any imports from nor exports to the United States. This can be accounted for by the fact that Servia has no seaport and her imports and exports are credited usually to Austria-Hungary. From data furnished this consulate by the chief Servian merchants the value of American goods imported in 1907 was probably about as follows: Hardware, $3,000; sewing machines, $2,500; oil, given as olive but cotton-seed oil most likely, $10,000; stationery and paper, $2,500; typewriters, $1,000; gas engines, $1,000; shoes, $200; mining machinery, $500; agricultural machinery, $500; cash registers, $1,000; total, $23,200.

The first shipment of American shoes was received just before the end of 1907, and it is probable that a considerable trade will be built up in this article. It has been frequently pointed out by this consulate that cotton goods, especially brown sheetings, could be sold to advantage, also agricultural implements of all sorts. Other goods that could find market are typewriters, novelties, gas engines, benzine motors, hardware, files, furniture, paper, electrical supplies, etc.

The following statement shows the value of the declared exports to the United States from Servia during the years 1905, 1906, and 1907:

Articles.	1905.	1906.	1907.
Antimony regulus	$285	$30,713	$5,475
Crushed prunes	6,318	7,893	27,211
Hemp	1,477	1,658	5,187
Plum brandy	.....	270	.....
Prune jam	6,468	8,804	.....
Skins	29,743	75,990	34,900
Silk rug	.....	160	.....
Total	44,291	125,483	72,773

REVIEW OF TRADE CONDITIONS OF ROUMANIA.

By CONSUL-GENERAL NORMAN HUTCHINSON, BUCHAREST.

The latest statistics available covering the foreign trade of Roumania, are for the year 1906, according to which the imports and exports were as follows, during that and the preceding year:

Trade.	1905.		1906.	
	Tons.	Value.	Tons.	Value.
Imports	731,039	$65,144,831	734,352	$81,468,026
Exports	3,463,945	87,980,672	4,213,331	94,832,514
Total	4,194,984	153,125,503	4,947,683	176,300,540

Since the year 1900, the exports have been greater than the imports, with the exception of 1904, the year of a drought and consequent small harvest, when the exports were less than the imports by about $10,000,000.

The following statement shows the imports and exports of Roumania, by countries, in 1905 and 1906:

IMPORTS.

Countries.	1905.	1906.	Increase (+) or decrease (−).
Germany	$17,659,500	$27,360,400	+$9,700,900
Austria-Hungary	18,547,300	23,024,900	+ 4,477,600
United Kingdom	9,804,400	12,101,100	+ 2,296,700
France	3,223,100	3,744,200	+ 521,100
Italy	2,798,500	3,474,200	+ 675,700
Turkey	2,489,700	3,049,400	+ 559,700
Belgium	1,447,500	2,065,100	+ 617,600
Russia	1,717,700	1,987,900	+ 270,200
Switzerland	1,196,600	1,447,500	+ 250,900
Holland	984,300	656,200	− 328,100
All other countries	5,276,231	2,567,126	− 2,719,105
Total	65,144,831	81,468,026	+16,323,195

EXPORTS.

Belgium	$28,334,829	$29,431,612	+$1,096,783
Italy	9,108,210	17,615,863	+ 8,507,653
Holland	16,096,258	10,584,197	− 5,512,061
United Kingdom	6,077,184	10,142,690	+ 4,065,506
Austria	7,923,673	6,152,492	− 1,771,181
France	3,580,420	5,437,736	+ 1,857,316
Turkey	2,722,797	5,399,156	+ 2,676,359
Germany	6,692,198	4,589,444	− 2,102,754
All other countries	7,445,103	5,479,324	− 1,965,779
Total	87,980,672	94,832,514	+ 6,851,842

The increase of exports in 1906, compared with the year 1905, is easily explained. The year 1904 was a very black year for Roumania, the autumn harvest yielding almost nothing as regards the corn product. The production was so small that there was not enough corn in the country to supply home needs, and its exportation was prohibited, while, on the other hand, large quantities had to be imported from Argentina, as much in the autumn of 1904 as in the autumn of 1905. The exports of corn in 1905 reached a value of only $985,583, but the harvest of 1905 having been good, the exports of corn in 1906 amounted to $11,708,850. It is equally necessary to cite petroleum and its derivatives as a constant factor in the increase of exports.

An increase of 3,313 tons is noted in the imports of 1906, while the increase in value was $16,323,195. In 1905 the imports of cereals reached a very high figure, compared with previous years, because of the large importations of corn, which amounted to 106,968 tons, representing a value of $2,862,377. In 1906 Roumania only imported 10,380 tons of corn, valued at $218,283. The result is a diminution, compared with 1905, of 96,588 tons, valued at $2,644,494. A sensible increase occurred in the following categories: Metals, metal goods, machinery, vehicles, vegetable texture tissue, etc., all categories representing a value far above that of corn.

IMPORTS BY CLASSES AND COUNTRIES.

Among the 35 categories, or classes, into which the imports into Roumania are divided, the following are the most important and of the most interest to American manufacturers and exporters:

Classes.	1905.	1906.	Classes.	1905.	1906.
Metal and metal manufactures	$14,311,106	$18,655,711	Explosives	$276,883	$977,298
Textiles of vegetable fibers	13,300,156	15,826,438	Paper	1,130,775	899,881
Machines and machinery	5,070,552	7,785,168	Colors and varnishes	970,100	482,342
Wool and hair, and manufactures of	5,704,025	7,520,096	Watches	334,000	282,189
Vehicles	682,907	4,712,687	Perfumery	224,202	183,806
			Total of classes given	42,004,706	57,825,616

A short review of the foregoing imports will not be out of place. Of the increase noted in metals and metal manufactures, over $4,000,000 went for cannon or other arms for the Roumanian army, of which $2,476,038 worth were imported from Germany, besides $2,649,388 worth of iron piping for the petroleum companies. The imports of this class from the principal countries were as follows: Germany, $8,612,218; Austria-Hungary, $5,221,438; the United Kingdom, $2,341,506.

Vegetable textiles, etc., are imported chiefly from England, Austria, Germany, and Italy, embroideries being imported chiefly from Switzerland.

HARVESTING MACHINERY FROM THE UNITED STATES.

Regarding machines and machinery, the report for 1906 states that most of the harvesting machinery (mowing machines, etc.) comes from the United States, and that its value amounted to $320,900 in the year just named. American locomotives have not been in favor

here, owing to certain unsatisfactory experiences, but it would be worth while sending an intelligent representative to study the market, as the railway system of the country is growing rapidly. Automobiles have also been the subject of special reports, and American manufactureres are referred to these, which may be found in the Bureau of Manufactures at Washington. Sewing machines were imported to the value of $632,278 in 1906. This large import indicates that several new industries have been established which require sewing machines.

Of wool and hair, and manufactures thereof, most of the woolen tissues come from Germany, England, and Austria-Hungary. Most of the felt articles come from Italy, their value in 1906 amounting to $257,250.

The large increase in the imports of vehicles is remarkable. Automobiles and motorcycles using benzine amounted to $234,132, and ordinary bicycles and tricycles to $152,645 in 1906.

A very important increase in the imports of explosives is noticeable, amounting in 1906 to almost fourfold the value in 1905. All these materials come from Germany, via Guirgevo, on the Danube. Cannon powder and dynamite were imported in less quantities than in 1905.

Watches should interest the American manufacturer, although competition is very strong, and the market impossible to dominate. A watch which would appeal to the 5,000,000 peasants in cost and worth should find a good market here.

Scents for the handkerchief and toilet waters are the principal perfumery imports.

The principal imports, in addition to the foregoing, in 1906, were as follows:

Articles.	Value.	Articles.	Value.
Animal food products	$1,412,474	Mineral matter, etc	$1,362,751
Farinaceous products	3,961,663	Oils, wax, etc	1,999,697
Conserved fruit and food	966,869	All other articles	8,033,923
Vegetable sugars, medicine, etc	796,674		
Chemical products	1,316,188	Total	24,142,408
Skins, hides, leather, and shoes	2,210,315	Classified imports	57,325,618
Rubber and gutta-percha	988,392		
Wood articles	1,093,462	Total imports	81,468,026

EXPORTS BY ARTICLES.

The classes of articles exported from Roumania in 1905 and 1906 are given as follows:

Classes.	1905.	1906.	Increase (+) or decrease (−).
Animals and animal products	$3,352,727	$2,681,450	− $671,277
Products of the soil	84,472,291	91,892,253	+7,419,962
All other products	155,654	258,811	+ 103,157
Total	87,980,672	94,832,514	+6,851,842

Nearly all Roumanian exports are dispatched by the customs at ports on the Danube, and at the seaport of Constanza. The ports of Soulina and Braila represent the greatest activity. It is from these

ports that the cereals are transshipped from vessels doing local carrying on the Danube. At Braila large quantities of merchandise arrive by land and by sea from different parts of the country.

Exportations from Roumania to the United States are not likely to amount to much in bulk or value, although efforts are being made by the consulate at Bucharest to introduce Roumanian fancy work into New York, as it compares very favorably with similar work from oriental countries.

The principal exports of Roumania are, of course, cereals and their derivatives, wood and wood articles, petroleum and derivatives, vegetables, etc. In 1906 the exports of cereals amounted to 3,281,175 tons; woods, 420,706 tons; petroleum, 325,345 tons; and vegetables and grains, 88,562 tons.

The largest amounts of cereals go to Belgium and Italy, the value thereof to both in 1906 being $27,912,240 and $16,148,940, respectively. Large quantities of cereals go also to Holland, England, and Turkey, although the exports in 1906 were very much less than in 1905.

ROUMANIAN INDUSTRIES.

So far Roumania has exported the products of its rich soil in exchange for the manufactured articles of other countries, but in view of a current becoming more and more pronounced toward agricultural protection in western Europe, Roumania finds it necessary to create and protect her great industry. Further, since 1886 it has become apparent that the country must pay more attention to its home trade and the creation of more factories for the making of everything for which the needs of the country call. Until that time the necessity for home factories was not felt, owing to the large incomes derived from the fertile fields so inexpensively tilled by the peasantry.

In 1887 the legislature elaborated the law for the encouragement of national industries. The result obtained has been favorable. To this law, on the one hand, and the Government's constant solicitude, on the other, are due the continual growth of the nation's wealth, the extension of means of communication, and the successful development of the industries of Roumania.

Capital is the most important factor in supporting industries, and on it depends the creation and progress of manufacturing. In spite of all the difficulties which confronted the compiler (Mr. Paiano) in the gathering of the necessary figures, he has been able to obtain sufficient data for the determining of those amounts of money which represent the fixed and floating capital invested in the various industries.

The fixed and floating capital of the three classes of industries is given as follows:

Classes.	Fixed capital.	Floating capital.
Industries encouraged by the state	$22,208,800	$16,496,721
Industries not encouraged by the state	10,946,410	6,643,140
State industries (monopolies)	9,714,579	5,372,695
Total	42,869,789	28,512,556

The industries established by the state (monopolies) and their fixed capital are as follows:

Industries.	Factories.	Fixed capital.	Industries.	Factories.	Fixed capital.
Electric and hydraulic stations	21	$4,849,943	Tobacco and cigarette paper.	2	$997,672
Metallurgy	16	2,538,291	Stamp and paper seals	1	62,262
Military factories	6	152,303	Tannery	1	30,000
Powders and matches	3	913,394	Total	52	9,714,579
Printing offices	2	170,714			

The number of working people, skilled and unskilled, employed in Roumanian industries in 1906 was as follows:

Classes.	Workmen.	Foremen, etc.
Encouraged industries	22,103	1,359
Industries not encouraged	3,955	476
State industries	9,274	468
Total	35,332	2,303

WAGES—TRUSTS—OUTPUT—STATE AID.

The wages paid in these industries is as follows, per diem: Mechanics, 54 to 85 cents; firemen, 40 to 70 cents; foremen, 80 cents to $1.68; skilled hands, 56 cents to $1.20; ordinary hands, 40 to 60 cents; apprentices, 20 to 30 cents. The total wages paid in the factories in 1906 amounted to $5,343,390.

With the development of Roumanian industries those concerned have steadily been adopting the modern form of combination, the "trust." Out of the 293 factories encouraged by the State, 152 rely upon individual exploitation, while 141 rely upon exploitation by combination.

The value of the output of the Roumanian factories is given as follows:

Factories.	Value of output.
Encouraged by the State	$20,516,03
Not encouraged by the State	17,259,7
State factories (monopolies)	16,844,8
Total	54,620,6

The fundamental base of Roumanian industries was establish in 1887 by the promulgation of the "Law for the encouragement o national industries." By the terms of this law all industries estal lished having a minimum fixed capital of $10,000, or perfected appl ances and a minimum of 25 workmen, obtained, if desired: (1) free concession of land; (2) exemption from all taxes to State, d trict, or commune; (3) exemption from customs duties on m

chinery and apparatus necessary for the installation and primary materials not to be found in the country; (4) a reduction of 25 per cent in transportation on the railways of the State for the articles manufactured, and of 30 per cent for raw materials brought into the country. It was following the promulgation of this law that most of the factories were started which to-day constitute the great industries of Roumania.

Among other important measures adopted for the encouragement of industries, the new tariff of 1904 must be mentioned. It came into force on March 1, 1906, and is a protective tariff, serving as a base for all the commercial conventions since made by the Government with foreign states.

OVERPRODUCTION OF SUGAR.

Up to the year 1895 there were only two factories in Roumania for the production of beet sugar. About 1896 the Roumanian Government offered certain inducements for the attraction of foreign capital, in consequence of which four new factories were built. Their production was so much in excess of what the needs of the country called for that the Government withdrew its bounty of 16 centimes (a little over 3 cents) per kilo (2.2 pounds) on refined sugar exported. The beet-sugar manufacturers then decided to limit their production, and to this end formed a combine in order to determine how much each factory should sell in the country.

The actual amount of beet sugar sold in Roumania, and on which bounty is paid, is about 65 per cent of what the working factories could produce. The system followed by the factories generally is to produce enough sugar each year to meet their contingents, any small amount left over being exported at a loss.

The sugar is manufactured in loaves of 5 and 3 kilos, cubes sold in boxes of 5, 25, and 50 kilograms, and granulated, in sacks of 50 kilograms. Retail prices vary from 20 to 24 cents per kilo. Import duty is 7 cents per kilo and consumption tax 7 cents.

The number of hectares of beets for sugar under cultivation in Roumania in 1905 was 12,029; in 1906 it was 9,676; and in 1907, 6,639. The number of quintals per hectare averaged in 1905, 180; in 1906, 198; and 1907, 164 (quintal=220 pounds). The total number of quintals realized for the year 1905 was 2,170,164; for 1906 it was 1,919,691; and for 1907 it was 1,091,561. The annual consumption of beet sugar in Roumania amounts to between 30,000 and 35,000 tons.

AGRICULTURAL STATISTICS.

The year 1907 suffered greatly as regards crop production; in fact, the extent of the crops show but little improvement over the year 1903, a most unfavorable year, and a comparison of both years shows the year 1907 in a still more unfavorable light, when the increase in the acreage under cultivation is considered. Notwithstanding this loss in 1907, from climatic conditions, agriculture is steadily developing, and the future of the country will continue to draw its most valuable asset from the soil.

The following statement shows the area under cultivation in the several crops and the production thereof in 1906 and 1907 (hectare =2.471 acres):

Crop.	1906.		1907.	
	Area.	Production.	Area.	Production.
	Hectares.	*Bushels.*	*Hectares.*	*Bushels.*
Wheat	2,022,843	112,058,830	1,714,317	42,709,726
Rye	183,929	8,902,363	146,659	2,554,049
Barley	558,700	33,542,699	509,693	20,064,257
Oats	381,914	26,127,656	352,468	17,843,453
Corn	2,081,906	130,557,886	1,928,592	57,581,646
Millet	53,617	2,680,360	130,368	2,467,096
Beans	432,203	2,510,426	404,824	2,587,694
		Pounds.		*Pounds*
Flax	23,540	6,963,660	12,825	7,207,860
Cotton	4,057	2,843,720	4,857	4,545,420
Tobacco	6,246	9,973,040	8,768	15,538,600
Sugar beets	9,676	422,332,021	6,639	240,143,420
Natural prairie fodder	492,857	2,528,833,560	462,601	1,532,556,520
Cultivated prairie fodder	70,463	606,962,180	112,853	603,121,200
		Value.		*Value.*
Grapes	87,138	$8,205,465	82,960	$6,570,280
Plums	71,650	1,842,920	71,603	1,215,490

COAL, SALT, AND PETROLEUM PRODUCTION.

The most important coal district in Roumania is in the Dambovita district, which produced, in 1905, 99,447,860 tons of coal in a total production of 130,331,129 tons. The coal concessions are state and "particular." The largest concession in the Kingdom is the state concession of Mina Margineanca, in the Dambovita district.

The total production of salt in Roumania in 1907–8 amounted to 284,430,951 pounds, of which 94,457,000 pounds were exported. The salt mines of Slanic, not very far from the capital, have proved to be the most productive, their output in 1907–8 amounting to 202 950,000 pounds, followed by the mines of Ocna, in Molanvia, and the mines of Ocna Mari.

The following statement shows the production of petroleum in Roumania since 1902 and the exports thereof during the same years:

Year.	Production.	Exports.	Year.	Production.	Exports.
	Pounds.	*Pounds.*		*Pounds.*	*Pounds.*
1902	655,905,140	.....	1905	1,167,159,400	343,118,820
1903	714,418,980	179,847,460	1906	1,499,291,200	466,356,880
1904	907,258,440	304,528,400			

The greatest purchasers of Roumanian petroleum are Austria, France, England, Bulgaria, Norway, Turkey, Servia, and Belgium, 37,687,755 pounds having been exported to Austria in 1906. The number of workmen employed in the production of petroleum in Roumania in 1906 was 8,678, an increase as compared with 1905 of 2,634. There were 809 foreigners employed in the industry in 1906.

The principal works of the American oil company operating in Roumania are at Ploesti, an hour from Bucharest, and are very finely conducted and kept up. A pipe line runs to this installation, and

the several processes of refining may be witnessed. The resident head manager of the company is a young man who graduated from Cornell University in 1898.

ROUMANIAN RAILWAYS.

The receipts of the Roumanian railway in 1906–7, $14,841,700, compared with the average receipts for the past five years, show an increase. The gross receipts for 1906–7 showed a surplus of 8.4 per cent, or an increase of 12.3 per cent over 1905–6.

The good results of this increase will appear more advantageously at the settling of the accounts for the traffic year, 1907–8, and no doubt the gross receipts for that year will reach the sum of $16,000,000. The yearly increase in receipts is due to the advantages which the railway offers to all of the home industries, in the distribution of their products and the bringing of raw materials to them from Austria-Hungary, Germany, England, etc.

There has been an increase in the number of travelers in 1906–7 of 1,000,000, the whole number for that year being 7,600,000 against 6,600,000 in 1905–6. This increase was not wholly due to the holding of the exposition in Bucharest in the summer of 1906, for although the fares were reduced for that purpose from 30 to 75 per cent, the increase in the number of travelers toward the metropolis only amounted to 120,000. The general increase is more likely due to the quickening of business life, resulting from more factories and better harvests; good harvests have always accounted for increased traveling.

Freight traffic is also increasing, though not as rapidly in proportion to the traveling public. The quantity of freight carried in the year 1905–6 was 5,700,000 tons, and 6,000,000 tons in the year 1906–7. The principal freight carried is corn and corn products, 2,500,000 tons. The other chief substances carried in 1906–7 were as follows, in tons: Timber, for export chiefly, 600,000; firewood, 470,000; petroleum and derivatives, 600,000; building materials, etc., 510,000; iron, 158,000; etc.

The gross receipts and expenses of the Roumanian railways in 1905–6 and 1906–7 were as follows:

Description.	1905–6.	1906–7.	Increase.
Receipts	$13,683,700	$14,841,700	$1,158,000
Expenses	7,245,500	8,318,300	1,072,800
Net receipts	6,438,200	6,523,400	.....

IMPROVEMENTS ON THE ROADS.

The reason for the extra percentage of expense in 1906–7 is due principally to the bettering of the financial condition of the employees by the management; also, the price of fuel rose, owing to the great increase in building in the country and the new customs tariff. Another element in the increase of expenses has been that of military transportation, which is carried out without compensation. Despite the expenses, the excess earnings, together with certain credits with the state, will enable the management to carry on improvements in

the roads, buildings, and equipments. About $7,000,000 have been expended during the past year in general improvements, double tracks, bridges, stations, workshops, etc. For this purpose there were purchased abroad 65 bridge cars of 30 tons each, 51 locomotives, and 3,276 cars.

The rolling stock of the Roumanian railways in March, 1907, was as follows: Locomotives, 588; passenger cars, 1,024; post-office cars, 106; freight cars, 15,552; sleeping cars, 21; snow plows, 42; and tenders, 563. Further, the management has ordered, and there are now being constructed, 20 locomotives in St. Petersburg; 111 passenger cars, 280 covered freight cars, and 113 open freight cars from Germany and Austria. All these are expected to be delivered in the latter part of 1908.

The management states that there will soon be inquiry for bids for rolling stock to the amount of $900,000, and for steel rails and iron to the amount of $600,000.

At the end of 1907 the general management reported to the ministry of public works a new detailed account of the present needs of the Roumanian railways, and asked for another credit of $28,000,000 for the carrying out of the programme. This programme was laid aside for the present by the Congress. According to the said programme the railways are in need of the following: 20 first-class cars, 4 axles, $20,000 each; 10 first and second combined, $18,800 each; 25 second class, $17,600 each; 35 third class, $9,000 each; 20 combined post and freight cars, 3 axles, $3,700 each; 40 luggage cars with 2 axles, $3,500 each; 100 manipulation cars, $1,500 each; 1,000 covered freight cars, $1,300 each; 2,000 open freight, with sides, $760 each; 1,000 open, without sides, $1,100 each; 150 platform cars, $2,400 each; 60 freight locomotives, $18,400 each; 30 passenger locomotives, $19,200 each.

The total expense of the above to be $7,267,000. The best bids are expected to come from Austria-Hungary as usual, and representatives from that country are always here to look for and fill orders. The consulate knows that certain American manufacturers are looking for the sale of their locomotives and cars here, and advises that agents who speak German or Roumanian be sent here each year.

TREASURY RECEIPTS—FOREIGN COMPANIES.

Roumanian treasury receipts from April 1, 1907, to August 31, 1908, were $60,600,578, an increase of $3,092,612 over the corresponding months of 1906–7. For the first five months of the fiscal year 1908 (April 1 to August 31), revenues increased $4,330,317 over the corresponding time in 1907. The State borrowed $14,000,000 in September to be expended upon state railways at the port of Costanza. The state monopolies paid in taxes in 1907–8, $12,755,352, an increase of $869,325 over the previous year; the monopolies consist of tobacco, which paid a revenue of $9,314,394; cigarette paper, $1,036,969; matches, $716,310; playing cards, $158,040; explosives, $109,169; salt exported, $259,972; and stamps, $2,253,293. The estimated revenue for the year 1908–9 will be $79,325,130, of which all will be expended, under the estimates, except $323,265.

Foreign companies in Roumania are considered as juridical persons having an existence separate from their component members

dependent upon the fulfillment of the formalities laid down in the laws, and on the authorization of the Tribunal. Foreign companies may establish a branch or agency, but in certain cases they must deposit a guaranty. Through carelessness, or an improper interpretation of the commercial code, many foreign companies work through agents who do not submit their power of attorney to the Commercial Court, and are thus exposed to certain risks. It is therefore recommended that legal advice be taken by foreign companies desirous of establishing branches or agencies in Roumania.

CATTLE AND MILK EXPORTS—CHANGE OF A LAW.

The British consul in Roumania states that there is little prospect of exporting into the United Kingdom, from that country, any considerable quantity of cattle or milk products. The stock of cattle and pigs would need improving, he says, before being fit for the London market, and some of the butter used in Roumania is imported. It appears that Roumanian eggs go even to the United States, through Hamburg. They can be purchased in summer at from 62 cents to 83 cents a hundred, wholesale, and there are districts in Wallachia where the retail price is as low as 50 cents a hundred in summer.

The existing law for the encouragement of industry will probably be modified. Privileges granted under its provisions include exemption from local and central taxation and freedom from customs dues on raw materials and machinery, and other provisions have created some criticism. The supply of labor in Roumania is plentiful, and the people are quick to learn. The law contains a clause demanding that not only two-thirds of the employees but two-thirds of the staff of a company must be Roumanian subjects, and this, in a country where thorough industrial or commercial training is not common, puts a serious hindrance to enterprise.

EXPORTS OF PETROLEUM.

The total export of petroleum and its products in 1907 was 423,638 metric tons, as compared with 321,119 metric tons in 1906; in two years the quantity has almost doubled, while the value is almost twice as great as it was in 1905. The United Kingdom takes 15 per cent of the export; India, 13 per cent; France, 26 per cent; and Germany, 11 per cent.

The total production of crude petroleum in 1907 was 1,129,097 metric tons, as compared with 887,091 metric tons in 1906. The total value of the crude petroleum produced in 1907 was about $10,000,000. The total capital invested in the Roumanian petroleum industry is said to be approximately 240,000,000 francs (about $46,000,000), of which 100,000,000 francs is German capital, 30,000,000 French, 30,000,000 Dutch, 15,000,000 American, and 12,500,000 British capital.

The petroleum reservoirs of the district of Costanza during 1907 took care of 460,900 tons of petroleum. The exports by tank steamers were valued at $65,000, but within a short time Costanza will be able to export 1,000,000 tons of petroleum per annum.

Of the 588 locomotives on the railways of Roumania, 427 use petroleum residue as a combustive, and they consumed 107,000 tons in 1907.

NORWAY, SWEDEN, AND DENMARK.

INTRODUCTION.

The review of the commerce and industries of Norway for the calendar year 1907, as presented by consular officers, shows that the exportation of Norwegian products to the United States is steadily growing, having increased from $2,793,402 in 1905 to $4,258,178 in 1907. The sales of American products to the Kingdom of Norway are shown in a table prepared by the consul at Bergen as aggregating about $6,000,000, the largest item being oleo oil, covering one-sixth of this amount, and wheat flour one-tenth. Norway undoubtedly affords a larger market for the productions of the United States, and the field should be well cultivated, especially in view of the fact that a new direct steamship line is proposed between New York and Bergen. This, with the new railway line from that port to Christiania, the capital, should facilitate the transportation and distribution of the many lines of American goods which Norway can readily use.

There is also submitted a review of the commerce and industries of Sweden, a country that is taking increasing amounts of American goods. The export statistics of the United States show that there was sent to Sweden in 1903 merchandise to the value of $5,805,925. There has been a steady increase in this trade, the amount in 1907 reaching $9,631,212. The imports into the United States from Sweden in the same period advanced from $3,584,100 to $4,834,538. Sweden is an increasing purchaser and consumer of articles of modern utility, that country purchasing in 1907 from various sources over $7,000,000 worth of general machinery and $636,000 worth of sewing and knitting machines. Consul-General Adams calls attention to the fact that American articles are gaining an excellent reputation, but mentions that Swedish purchasers do not favor payment in advance of shipment. The development of water power, electrical transportation, and other modern industrial lines should afford a good market for American mechanisms.

There is likewise presented a review of the trade of Denmark for 1907, with which country the United States carries on large commercial transactions. The exports of American goods to Denmark appear to have been $25,651,561 in 1906 and $22,886,839 in 1907. The leading items of shipment thither are alimentary products, oil cake and meal for the Danish dairy industry being the most important, and amounting to over $7,000,000 in the fiscal year 1907; corn amounted to $3,000,000, wheat flour to $2,000,000, and pork and lard to $2,500,000 in the same year. It should also be noted that

the sale of American agricultural implements in Denmark has increased to over $500,000 annually. There is still room for considerable expansion in the sales of various lines of American manufacture.

REVIEW OF TRADE CONDITIONS OF NORWAY.

By Consul-General Henry Bordewich, Christiania.

The total trade, imports and exports, of Norway for the last five years, according to figures furnished by the official statistical bureau, was as follows:

Year.	Imports.	Exports.	Year.	Imports.	Exports.
1903	$76,674,000	$49,740,800	1906	$88,091,600	$61,479,200
1904	75,602,800	48,642,000	1907	104,817,500	62,459,700
1905	80,292,800	54,618,400			

A larger percentage of the imports in 1907 were intended for purposes of production than in any previous year. The principal reason for this is the rapid increase in the number of industrial plants in the country. The machinery and fixtures used in these plants is to a considerable extent imported from abroad. The figures for 1907 are based on an advanced report published by the statistical bureau and do not enter into detail concerning the trade.

Offsets to the deficiency in the balance of trade may, as usual, be found in the incomes from the shipping, tourist traffic, and money in shape of gifts sent from people in America, which may be estimated as follows: Gross income from shipping in 1907, $30,000,000; gross income from tourist traffic, $3,200,000; and money received from America, $3,000,000.

The imports into and the exports from Norway during 1907 were as follows:

Imports.	Value.	Exports.	Value.
Breadstuffs:		Fish and fish products:	
Barley	$3,443,000	Cod (air dried)	$3,018,400
Flour	2,471,700	Cod (dry salted)	4,877,800
Rye	6,922,600	Herrings	3,887,700
Rye meal	1,312,300	Guano	221,900
Coal, coke, etc	7,013,400	Oil	1,206,300
Cotton, raw	1,147,500	Roes	399,100
Groceries:		Other (canned products)	1,635,400
Coffee	2,329,500	Granite	585,280
Sugar	3,175,200	Ice	130,600
Sirup	411,200	Mill feed, etc	788,300
Tea	60,300	Nails	204,700
Hemp	600,000	Ore and minerals:	
Liquors and wines:		Copper	33,900
Liquors	731,600	Pyrites, iron	1,394,100
Wines	600,400	Wood, and manufactures:	
Machines, motors, etc	4,116,600	Lumber	11,661,500
Malt	100,800	Matches	381,900
Oil: Petroleum	968,200	Paper	2,122,300
Rice	174,300	Pulp—	
Salt	502,500	Mechanical, dry and moist	5,718,800
Tobacco, leaf	518,400	Chemical, dry and moist	5,651,200
Woolen goods	2,065,300	All other articles	18,486,600
All other articles	66,137,700		
Total	104,817,500	Total	62,459,700

AGRICULTURE—FISHERY INDUSTRY.

The 1907 crops of the country were much below the average owing to chilly weather and constant rains during the entire season. The southern and eastern districts suffered the most. There has been loss but no suffering among the people. Diversified farming is general in all tracts; if the grain crops were a failure, the incomes from stock and from the dairies were up to the general average. As a consequence of the poor grain crops, the import of grain was larger than usual. Compared with 1906, the figures are: Imports of rye in 1906 to the value of $6,497,000, and in 1907, $6,922,600; imports of barley in 1906, $2,886,100, and in 1907, $3,443,900.

Many farmers in the Christiania district are this year being supplied with seed, barley, rye, and oats, in the shape of a loan by the county or district commissioners. In some tracts of the country, such as at Jaederen, near Stavanger, and in the central valleys, the farmers raised average crops of all kinds. The 1907 hay crop was generally good; in some parts of the country it was abundant.

The Norwegian fishing fleet consists of 176 steamships, 647 motor cutters, 3,736 decked sail craft, and 10,700 open sail craft. This does not include vessels engaged in the whaling and seal catch. The value of the total catch in 1907 was about $12,125,000.

The arctic fisheries are carried on with energy and profit. Stations are established in the Shetland Islands, the Faroes, Iceland, the Hebrides, the Falkland Islands, at South Georgia, Punta Arenas, the Crozet Islands, Kirgulen, in the Antarctic Ocean, and at some place near Cape Horn. Norwegian whalers also hunted a few years ago in Japan waters. The regular whale fisheries are carried on with modern vessels, while those engaged in the catch of seal and walrus often are small sailing crafts. Thus the fleet from Tromsoe, Vardoe, and Hammerfest consisted of 79 vessels, of which 2 were small steamers, 4 motor cutters, and 73 other decked craft of a total of only 3,150 tons burden. Their principal catch consisted of 65,173 seals, 495 polar bears, 128 white whales, 365 reindeer, 357 foxes, 10 musk oxen, and besides 10,000 barrels of oil. The profits of the regular whalers can not be ascertained, as the oil and other products are often sold abroad. A Norwegian whaling firm is establishing a whaling station at Rusheen, on the island of Inisher, where a permit has been obtained.

MINERAL PRODUCTION.

Some 8,000 men were in the year 1907 employed in the several mines; of these, 7,500 were in old and stable establishments and the rest on preparatory work in new diggings. The value of the aggregate output for the year is stated to be about $2,680,000, divided as follows: Copper pyrites and ore, $2,010,000; iron and iron ore, $402,000; silver, $140,200; and nickel, lead, etc., $127,800.

The most promising mine in the country is the copper mine at Sulitjelma, Salten, northern Norway, which employs 1,900 men and produces annually about one-half of the total output of copper and ore from the country. The owners of a mine at Ranen, northern Norway, which produces lead and zinc, are preparing to handle it under the Laval system, by electric current, of which 3,000 horsepower will be used. The first plant is calculated to handle 50 tons of ore per day,

from which it is expected to realize 8 tons of zinc, 1 ton of lead, besides some by-products in the shape of copper and silver.

The people are showing great interest in the mining industry; new mines are constantly being tried, but with indifferent success. Improved methods in the handling of the ore are frequently reported as being introduced, and this may ultimately bring mines which under the old methods were found unprofitable into the list of paying properties.

LUMBER AND WOOD-PULP INDUSTRIES.

The total export of lumber from Norway to all countries during the past three years is shown in the following table:

Description.	1905.	1906.	1907.
	Cubic meters.	*Cubic meters.*	*Cubic meters.*
Lumber	1,146,980	1,247,177	1,102,218
Staves	84,354	100,814	124,717
Timber, hewn and round	528,022	584,002	574,247
Wood for fuel	90,361	95,817	96,881
Total	1,849,717	2,027,810	1,897,063

Of the total shipments of wood and manufactures, 1,167,958 cubic meters went to Great Britain, the balance to other European countries, with the exception of 114,046 cubic meters which was sold to Australia. The exports of wood pulp and paper, etc., in tons, for 1907 were: Cellulose, 154,648; mechanical pulp, 448,825; paper, 46,582; and matches, 3,750.

A good authority predicts that the aggregate annual production of sulphite cellulose in Europe will after 1907 be about 1,600,000 tons, of which about 950,000 tons should fall to Scandinavia and the Russian and German Baltic provinces. There has lately been a very rapid increase in the output of sulphite cellulose in all the countries which border on the Baltic, and this development will probably continue in the coming years, for in those countries where the rivers flow to the Baltic there is a better supply of the raw material for making cellulose, the white pine (*Picea excelsa*), than in the rest of Europe. In any case there is, because of the sparsity of the population, a far greater surplus for sale, and because the cellulose industry allows of the most efficient utilization of small and medium sized logs. The building of new and the extension of old sulphite mills in the countries round the Baltic will most probably proceed in the future even more rapidly than in the past. To this result the circumstance will also contribute that increasing obstacles are placed in the way of sulphite mills in Germany on account of their pollution of the rivers. It must also be borne in mind that the increasing competition enforces such an increase of the size of the mills that some manufacturers find it necessary to build their mills by the sea in order to be independent both as to the supply of raw materials and the sale of the cellulose.

Three or four new wood-pulp mills were built in Norway in 1907. The output of the cellulose and mechanical wood-pulp mills and paper factories find a ready market. Contracts for future delivery for two and three years have been entered into by some of the concerns.

Lumber of all kinds is in poor demand. The match factories are prospering, and their best markets are in Great Britain, Belgium, and Germany. The output of all forestry products of Norway in 1907 was valued at $25,700,000.

COMMERCIAL TRAVELERS—PATENTS AND TRADE-MARKS.

A great number of foreign commercial travelers visit Norwegian cities. Christiania alone was in the year 1907 visited by over 1,300, more than one-half of them representing German houses. The trade between Norway and Germany has always been large. In the year 1906 the figures were: Imports from Germany, $23,627,700, and exports thereto, $8,955,000. As a very large portion of the imports from Germany consists of dry goods and notions, it will readily be understood that the money spent by German manufacturers and jobbers in payment of salaries to their commercial travelers is a good investment.

Of American commercial travelers visiting Norway annually, the number does not exceed half a dozen. American trade papers, illustrated catalogues, and price lists are freely sent out and well circulated; they certainly do valuable service in the interest of American trade, but a commercial traveler now and then, with a good display of samples, would, in my opinion, be able to introduce and sell certain classes of commodities, notions, etc., which can not be sold in any other way. The license charged commercial travelers is $26.80 for thirty days' stay in the country.

Applications for patents must be filed within six months from the date of the first publication of the applicant's foreign patent. The charge for filing an application for a patent is $15, which covers the Government fee for the first year. The annual Government taxes are $2.68 for the second year, $4.02 for the third year, with increase of $1.34 for every subsequent year. The charge for filing an application is not refunded in case the application is rejected. Translations are paid at the rate of 50 cents per 100 words. A resident Norwegian patent attorney has to be engaged. Trade-marks can be secured provided a corresponding trade-mark has first been secured at home. The charge for filing a trade-mark application is $18, which includes all expenses, except translations, for one year.

SHIPPING AND EMIGRATION.

The Norwegian merchant marine at the close of 1906 consisted of 1,794 steamships of 751,300 tons, and 5,776 sailing vessels of 796,250 tons. These figures do not include vessels of less than 50 tons burden.

There was a decrease of 17 vessels in number, but an increase of about 65,500 tons in burden, in the fleet during the year. The number of sailships is gradually decreasing while the number of steamships is increasing. It is calculated that the shipping traffic of Norway is conducted by Norwegian ships to the extent of 62.3 per cent for the homeward-bound trade and 56.7 per cent for the outward-bound trade. The rest is conducted by foreign vessels. The gross income from the Norwegian shipping in 1906 is placed at $30,960,000; 939 steamships and 1,894 sailships were, during the year, engaged in foreign trade. The Government pays about $65,000

annually in subsidies to owners of ships making regular trips between Norwegian and certain foreign ports.

The emigration of Norwegians aggregated 22,142 people in the year 1907. Nearly all of them were bound for the United States of America. People of other nationalities—Swedes, Finns, and Russians—also embark to some extent from Norwegian ports. The total number of emigrants of all nationalities embarked from Norwegian ports in 1907 is placed at 29,150. The emigration in the year 1908 so far has been very light, and the emigration agents are of the opinion that it will continue so for some time.

TRADE WITH THE UNITED STATES.

American goods are well received in Norway and the variety imported is great, including everything from heavy machinery to corncob pipes and peanuts. American staple articles are handled here by a number of active firms, who watch the fluctuations of the markets, and who buy from America whenever they find it profitable to do so. American flour is being imported in increasing quantities, the import duty being 53.6 cents per 220 pounds, while on rye and barley meal it is 13.4 cents. In conversation with one of the Norwegian officials I asked, some three or four years ago, the reason for this discrimination. He informed me that rye and barley meal formed the staple food of the common people, while flour was looked upon as a luxury. However, flour is used to a considerable extent by all classes of people.

New inventions patented in the United States should, in order to prevent imitations, also be patented in Norway before they are offered for sale there.

EXPORTS FOR THREE YEARS.

The following table shows the exports from Norway to the United States during the past three years:

Articles.	1905.	1906.	1907.
Books	$22,870	$21,960	$17,441
Cheese	18,872	29,022	33,249
Ferro-silicon	6,186	2,718	251,105
Fish hooks	3,655	8,081	14,374
Fish, and fish products:			
Fish—			
Air dried	54,444	323,981	199,085
Canned	351,058	680,629	953,636
Herrings, salted	105,135	177,664	119,212
Mackerel, salted	643,886	461,283	419,537
Other	5,994	43,658	25,318
Oil, cod-liver	97,290	138,637	181,483
Hides and skins	201,507	267,880	219,774
Liquors	3,744	17,432	15,861
Matches	13,253	17,328	16,821
Machinery	738	4,946	10,918
Oxalic acid	51,818	32,707	66,451
Paper	16,785	124,838	196,753
Rope and rags, old	15,089	26,119	29,603
Rubber, old	34,595	35,900	45,717
Spelter			81,316
Wood flour		6,967	5,791
Wood pulp	1,113,838	1,251,977	1,297,226
All other articles	32,645	61,543	57,507
Total	2,793,402	3,735,270	4,258,178

BERGEN.

By CONSUL FELIX S. S. JOHNSON.

Bergen is considered one of the most important ports of Norway. It has grown in population from 47,000 in 1885 to 90,000 in 1907. Up to 1835 it held first place as the largest city in Norway, but then gave way to Christiania. For a long time it was second in tonnage, but afterwards, in the time of sailing vessels, fell to fourth place. The number of vessels was greater than in any other Norwegian town, but the ships were smaller.

About 1850 a brisk improvement began. The repeal of the navigation act in England brought about an extension of the carrying trade and at the same time Bergen began to trade with the Russian ports on the Black Sea for rye, and the fleet rapidly increased. But soon the trade with Russia was stopped; a large fire in 1855 caused great loss, and then came the commercial crisis of 1857, which crossed over from America to Europe, whereby Hamburg particularly suffered, which influenced all Scandinavian towns, especially Bergen.

BERGEN'S MARITIME FLEET.

Soon after Bergen commenced to build a steam fleet and about 1880 it discarded its sailing vessels. During the years 1876 to 1878 the sailing vessels had attained their greatest number, 278, with a tonnage of 60,000 tons, and at the same time the number of steamers had increased to 85 with 20,000 tons. These years were the turning point in Bergen in shipping. The Bergen steam fleet then formed almost half that of the entire country. In 1884 the number of sailing vessels belonging to Bergen was 231 with 43,000 registered tonnage, while the number of steamships was 130 with 50,000 registered tonnage. After this the proportion changed rapidly until only a few small sailing vessels are left, although during the last few years some larger ones have been built. At the close of 1905 Bergen had 291 steamships with a net tonnage of 260,500 tons, about one-third of the entire steam tonnage of the country, while there were only 76 sailing vessels with a net tonnage of about 4,700 tons. Up to 1872 Bergen was the largest exporter, and between 1873 and 1876 it and Christiania were rivals, but since the last-named year Christiania has led.

As in shipping so in the exportation of fish, Bergen holds first place, although outstripped in certain directions by rival towns. In the importation of grain it is also first, as it not only supplies the west country, but also Nordland. The strongest connection Bergen has is with the British Isles, especially as regards exports, and next with Germany, chiefly for exports. In 1905 the latter amounted to 25,250,000 crowns (crown equals 26.8 cents), while the value of the import was 56,300,000 crowns. Bergen hopes for further development when the railroad to Christiania is in running order, and through it for connection with Eastern and Central Europe.

About 1850, industrial art also began to advance, but the largest works are to be found in the immediate neighborhood of the town. Flour mills, engineering workshops and dockyards, foundries and weaving factories, oleomargarine factories, breweries, paper mills, tanneries, jersey and curtain weaving factories are the most important in Bergen; also gas and electric works. It is calculated that in Bergen proper there are 190 factories with 2,650 hands and 4,450

horsepower and in South Bergenhus 145 factories with 5,100 hands and 11,500 horsepower.

IMPORTANCE OF FISHERIES.

The coast fisheries of this consular district are the most important in Norway and yield the chief part of the fish products exported. First come the well-known articles of consumption, klipfish and stockfish. In 1905 nearly 34,000,000 kilos (kilo = 2.204 pounds) of klipfish and 12,638,000 of stockfish were exported. A cheap and valued comestible is salt herring, of which about 612,000 hectoliters were exported, as well as salt mackerel. The tinned-goods industry has undergone a very great development. This is a branch of industry for which the western coast seems specially adapted, chiefly as regards preserved fish. Tinned goods are annually exported to the amount of more than 3,000,000 crowns and anchovies for about 700,000 crowns. With the constantly improved means of communication fresh fish has also become a very important article of exportation. In 1905 the exportation of fresh herrings, cod, mackerel, salmon, etc., amounted to more than 5,000,000 crowns. Among other products of fishing and whaling are fish oils (exportation for the last few years amounting to from 120,000 to 190,000 hectoliters annually), roe, whalebone, and fish guano. Altogether the exported products of sealing, whaling, and ordinary fisheries amount to about 55,000,000 to 60,000,000 crowns.

IMPORTS FROM PRINCIPAL COUNTRIES.

The leading articles of import into Bergen from the principal countries during 1907 are shown in the following statement, the quantities being given in kilos of 2.2046 pounds:

Countries.	Breadstuffs.	Coffee.	Provisions.	Sugar.	Tobacco.	Wine.
	Kilos.	*Kilos.*	*Kilos.*	*Kilos.*	*Kilos.*	*Kilos.*
United States	773,189	.....	282,911	15	7,798	.....
Belgium	780,518	42,289	37,563	164,463	.....	1,225
Denmark	3,161,008	150,341	1,135,002	1,093	1,515	1,554
Germany	27,930,224	1,852,972	492,319	4,713,197	89,232	68,007
Netherlands	1,685,031	546,532	21,189	344,892	5,117	41,931
Roumania	5,236,948	.....	.....	.....	.....	.....
Russia	134,198,261	.....	.....	.....	.....	30
United Kingdom	3,773,594	91,376	926,677	317,375	540	4,358
Other countries	3,875,229	51,781	105,457	37,987	.....	354,613
Total	181,414,602	2,735,291	3,001,118	5,579,022	104,112	471,718

TRADE WITH THE UNITED STATES.

The exports from Bergen to the United States have steadily increased, showing at the close of 1907 an amount exceeding $900,000. Sardines is now the principal article of export, as the depletion of the French fisheries has obliged American importers to look to Norway for their future trade. Cod-liver oil has rapidly increased, being used altogether for medical purposes; the oil is considered the best in the world. The two other leading articles, herrings and stockfish, have maintained their positions.

As to imports, I may say that the amount will exceed that exported to the United States. There is now a steady and increasing trade in the following articles: Flour; oatmeal; oak staves; petroleum, oleo, and machine oils; cotton-seed oil; dried, canned, and fresh fruits; agricultural machinery and tools; sirups and molasses; tobacco; sewing

machines; typewriters; lard, canned; prepared and salted meats; lead pencils; motor boats and engines; shoes and hardware.

PURCHASES FROM THE UNITED STATES.

The value of the imports into Norway from the United States during the fiscal year 1907 was $5,682,198, against $6,012,026 and $4,419,029, respectively, for 1906 and 1905. The items were as follows:

Articles.	1905.	1906.	1907.
Brass and brass ware	.....	$914	$5,025
Breadstuffs:			
Bran and shorts	$13,385	47,536	2,156
Breakfast foods	1,188	7,331	7,836
Corn	89,478	198,188	.....
Flour, wheat	506,523	757,694	675,928
Meal—			
Corn	1,281	785	2,623
Oat	117,094	43,098	18,309
Chemicals	6,352	3,835	12,458
Cotton, and manufactures of:			
Raw	73,330	49,594	20,546
Textiles	103,888	24,906	16,205
Fish products	7,896	13,254	12,182
Fruit	37,981	17,055	35,940
Household goods	1,826	2,884	8,456
Instruments:			
Musical	6,160	31,415	32,849
Scientific, etc	4,699	9,346	17,174
Iron and steel manufactures:			
Cash registers	13,981	6,708	8,141
Implements	29,423	32,893	45,041
Locks, hinges, etc	36,876	54,024	54,215
Machines and machinery—			
Farming	73,344	137,267	151,019
Foundry	72,790	12,371	28,568
Laundry	5,039	4,702	7,163
Pipes	9,399	11,177	16,183
Plates	2,627	18,391	18,787
Stoves	1,055	2,215	1,418
Typewriters	9,111	14,550	17,867
Wire	18,961	62,209	65,768
Other	98,202	61,591	78,527
Leather articles	179,137	171,807	200,533
Oil:			
Cotton-seed	9,050	124,484	180,716
Linseed	29,766	14,978	11,542
Machine	21,610	26,229	22,332
Oleo	789,031	1,281,532	1,095,481
Petroleum	315,456	376,492	605,639
Vegetable, n. e. s	52,156	83,628	153,056
Provisions:			
Bacon	370,934	637,173	425,197
Beef	99,799	157,246	127,646
Butterine	151,051	68,007	11,862
Hams	31,563	38,269	32,992
Lard and composition	583,920	590,698	477,864
Sausage and sausage casings	12,585	11,670	18,330
Rubber products and waste	12,463	11,506	18,899
Sirup	75,789	91,758	40,474
Soap material	13,450	11,900	11,078
Stoneware, etc	7,077	6,231	1,417
Tobacco, etc.:			
Leaf	72,520	190,177	135,850
Cigarettes	7,450	2,616	1,069
Other	165	1,033	1,017
Toys	13,400	3,280	1,200
Twine	1,543	2,112	1,382
Varnish	1,424	2,430	3,500
Watches	6,363	9,010	12,405
Wood, and manufactures of:			
Furniture	12,239	14,122	26,216
Planks, boards	1,296	12,172	8,439
Staves	33,229	20,605	58,619
Other	23,394	16,072	16,531
Woolen articles	19,140	22,446	27,566
All other articles	130,140	386,410	592,962
Total	4,419,029	6,012,026	5,682,198

DECLARED EXPORTS.

The exports declared at Bergen for the United States during 1905, 1906, and 1907 are shown in the following table:

Articles.	1905.	1906.	1907.
Brandy	$2,666	$14,227	$12,726
Cheese	7,300	19,890	19,925
Fish and fish products:			
Herrings	59,064	133,530	92,802
Mackerel	111,219	10,635	28,993
Sardines	5,892	81,879	239,620
Stockfish	53,421	312,588	192,173
All other	21,988	132,374	62,704
Hides and skins	14,639	20,696	31,357
Oil, cod-liver	45,761	108,334	149,904
Paper		12,849	29,002
Sulphite (dry pulp)	7,960	6,045	61,848
All other articles	1,620	17,683	8,079
Total	331,530	870,730	929,142

The total number of emigrants from Bergen for the United States in 1907 was 2,355. Among the departures were 539 Norwegian-Americans who had come to Norway for a visit, and besides, some sailors, who had shipped here but were returning to join Norwegian vessels engaged in American trade.

CHRISTIANIA.

By Consul-General Henry Bordewich.

The population of Christiania is 233,000. Owing to the advantageous location of the city, it has gradually gained in population and wealth. The principal occupations of its inhabitants are trade, industry, and shipping. Its more prominent merchants manage branch stores or offices in other Norwegian towns, and their traveling salesmen visit all parts of the country. The income of the public treasury of Norway from custom revenues amounted to $10,640,000 in the year 1906; of which $5,386,800 was collected at the Christiania custom-house, or about one-half of the total receipts. The city is undergoing a noticeable industrial development.

DECLARED EXPORTS.

The value of the exports declared from Christiania to the United States during 1905 was $1,702,429; 1906, $1,990,527; and 1907, $2,395,359. The leading articles were:

Articles.	1905.	1906.	1907.
Acid, oxalic	$51,818	$32,707	$66,451
Belting		2,169	4,463
Beer		388	5,140
Canned goods	1,153	398	3,337
Cheese	5,363	7,335	10,556
Ferro-silicon	6,186	2,718	251,105
Fish:			
Herrings, salted	5,443	4,698	4,614
Mackerel, salted	156,563	142,932	170,610
Fishhooks	3,655	8,081	14,374
Household goods	1,303	3,592	2,041
Glassware	6,197	3,582	1,951
Hides and skins	186,868	247,184	188,418
Liquors	1,477	3,205	3,134

Articles.	1905.	1906.	1907.
Matches	$13,253	$17,328	$16,821
Machinery	.....	2,543	10,061
Oil, cod-liver	51,529	30,203	31,579
Paper, wrapping	16,785	111,989	167,752
Rags	5,137	3,673	13,036
Rope, old	9,952	22,447	16,567
Rubber, old	34,595	35,900	45,717
Silverware	2,294	1,056	2,067
Spelter	.....	.....	81,316
Wood flour	.....	6,967	5,791
Wood pulp	1,105,878	1,245,932	1,235,578
All other articles	36,920	53,400	42,880
Total	1,702,429	1,990,527	2,395,359

STAVANGER.

By Consul Bertil M. Rasmusen.

The principal industries in this district, fishing and shipping, were augmented during the last year. New canning companies were established, and the exports of canned fish, notably of smoked sardines in oil, increased considerably and amounted to more than $557,000, which is an increase of 48 per cent over that of 1906. Although the canners, of which there are more than twenty in this city, have been obliged to bring their supplies of fish from along the western coast of Norway as far up as north of Aalesund, they seem to be able to sell any quantity, and they have undoubtedly made profits. Some of these canners have built new smokeries in the fjords nearer the place of fishing, and in this city a new concern is building a large and modern plant, chiefly for the canning of sardines. At Kopervik and Haugesund there have also been built new factories.

HERRING AND MACKEREL CATCH.

The fishing of herrings was good, and the quality was fair, but prices went very low, and the fish running smaller in size than in 1906, were not so well liked in the principal markets. Prices were steadily going lower and many of the exporters lost money on their purchases. This year some were also exported to the United States, but this export amounted only to $21,796 as compared with $39,425 in 1906. Mackerel caught by hook and line in the North Sea and along the Norwegian coast were of good quality, but the fish was running very small in size. Prices ran exceedingly high owing to the keen competition among the exporters, and in consequence several buyers in the United States only bought in small quantities.

The fishing fleet is steadily augmenting, and among the new additions are both steam vessels and motor boats.

STEAMSHIP CONNECTIONS WITH THE UNITED STATES.

The shipping industry is not very satisfactory, although dividends for 1907 were higher than those paid in 1906. Many of the steam vessels owned in this city are trading in American waters, and the more modern boats built for the fruit trade have been paying fair dividends, but the comparatively high prices for building these boats, besides the cost of equipping them for the trade, make the percentage of the profits small. However, the shipbuilding yard has been very busy, and during 1907 delivered a couple of steamers especially fitted

out for the American trade. The fleet of sailing vessels, of which Stavanger formerly had a good many splendid ships, is steadily decreasing in number, and new ships are not being built to replace those lost; many of these ships are still trading in American waters, chiefly between the Gulf ports and River Plata with lumber.

The new line of steamers between Mexico, the United States, and Norway, subsidized by the Government, has started, and the first boats arriving from the United States called at Stavanger as their first port of call and discharged several hundred tons of feedstuff from Galveston. As a whole communications to and from Stavanger are good, but what exporters would like to have is a direct line of steamers from this port to the United States, all goods having now to be transshipped at Hamburg, Rotterdam, Antwerp, Hull, Copenhagen, or Christiansand, to all of which places there are regular lines running.

During the year 1907, 2,466 persons emigrated from this district. The city of Stavanger has 35,800 inhabitants.

The number of vessels entered and cleared at Stavanger, not including those engaged in the coasting trade, during 1907 were as follows:

	Sailing vessels.		Steamers.		Total.	
	Number.	*Tons.*	*Number.*	*Tons.*	*Number.*	*Tons.*
Entered	84	10,708	778	396,687	862	407,395
Cleared	93	12,255	665	341,697	758	353,952

IMPORTS AND EXPORTS.

The quantity of imports into and exports from Stavanger during the past three years was as follows, quantities being given in pounds:

IMPORTS.

Articles.	1905.	1906.	1907.
Breadstuffs:	*Pounds.*	*Pounds.*	*Pounds*
Barley	17,353,200	14,568,800	11,858,453
Corn	.....	3,708,600	5,533,233
Flour—			
Rye	1,667,680	625,400	961,276
Wheat	4,370,700	4,416,900	5,202,208
Rye	3,572,690	1,657,800	1,200,146
Cement	1,620,250	1,790,960	1,184,740
Coal and coke	[a] 1,890,982	[a] 1,887,650	[a] 2,133,858
Coffee	1,271,250	1,275,100	1,287,071
Feedstuffs	8,459,650	2,787,650	7,093,346
Fruit	556,750	850,000	1,024,456
Iron and steel and manufactures:			
Bars	2,748,450	1,767,000	1,917,839
Hardware	89,775	79,000	93,705
Machinery, farm	39,824	97,260	107,922
Pig	1,725,895	1,425,000	2,148,500
Piping	723,215	604,000	809,000
Rails, etc	807,900	2,049,200	2,358,937
Tools	[b] 100,375	[b] 14,497	[b] 16,610
Wire	1,897,400	2,874,700	2,374,500
Oils	3,221,160	4,506,350	4,339,006
Provisions:			
Lard	748,500	689,500	758,000
Margarine	2,306,000	2,965,000	2,718,639
Meat, salted	380,300	298,900	374,645
Rice	348,470	202,150	239,342
Sugar	2,919,000	2,910,900	3,201,474
Syrup	908,300	1,208,900	881,654
Tin plate	9,761,000	13,302,300	15,455,928
Tobacco, leaf	104,710	94,450	105,039
Vegetables	1,444,375	3,124,078	1,900,203

[a] Bushels. [b] Dollars.

EXPORTS.

Articles.	1905.	1906.	1907.
	Pounds.	*Pounds.*	*Pounds.*
Beer	[a] 4,930	[a] 23,363	[a] 25,944
Berries	100,300	133,300	168,302
Butter, including artificial	678,220	701,400	812,049
Cheese	7,175	13,700	16,377
Fertilizers	944,390	1,862,300	1,575,937
Fish, and fish products:			
Canned	10,168,800	11,900,000	14,721,861
Fresh	159,300	197,300	133,750
Herrings—			
Salted	[b] 51,392	[b] 50,675	[b] 72,337
Smoked	45,500	13,500	19,300
Lobsters	[c] 167,200	[c] 164,708	[c] 178,870
Mackerel, salted	[d] 18,120	[d] 12,065	[d] 8,528
Oil	[d] 1,684	[d] 3,419	[d] 2,725
Salmon	146,550	105,900	119,933
Shrimps	190,300	224,450	297,700
Hides	58,610	86,725	87,180
Metal, old	8,330,500	2,902,000	4,395,945
Potatoes	45,300	32,200	44,700
Rope, old and new	60,530	187,375	114,282
Tar	.....	376,728	84,634
Tin-plate clippings	.....	1,855,889	1,522,400
Wool	.....	37,087	46,728
Woolen goods	32,150	37,250	26,100

[a] Boxes. [b] Barrels. [c] Number.

TRADE OF THE HAUGESUND AGENCY.

The value of the imports into Haugesund during 1907 was $1,105,594, against $1,068,563 in 1906 and $1,033,990 in 1905. The principal articles of import in 1907 were: Coal and coke worth $120,741; salt, $92,722; oleomargarin, $60,392; cotton goods, $52,297; oil, $38,280; metals, $24,181; woolen goods, $29,523; coffee, $21,689; lard, $21,058; and machinery, $15,572. The value of exports from Haugesund in 1907 was $1,305,091, compared with $1,584,963 in 1906 and $1,336,600 in 1905. The leading items of export in 1907 were: Herring valued at $1,147,590; mackerel, $189,594; pyrites, $18,412, and iodine, $4,342.

The number of vessels, not including those engaged in the coasting trade, which entered at the port of Haugesund during 1907, was 583, of 207,615 tons burden, against 510 vessels, of 182,876 tons, in 1906. The vessels cleared from the port in 1907 numbered 757, of 223,335 tons, against 722 vessels, of 224,009 tons, in 1906.

REVIEW OF TRADE CONDITIONS OF SWEDEN.

By CONSUL-GENERAL EDWARD L. ADAMS, STOCKHOLM.

Up to the time of the general financial stringency affecting the world's markets in the autumn of 1907, the foreign trade of Sweden was unusually prosperous. Then it visibly decreased for a time, but soon recovered and assumed normal conditions with good prospects for renewed and steady improvement.

The local shipping during the year was very good, although shipbuilding was comparatively light. A few steamers of small capacity (less than 3,000 tons) were constructed. Direct lines were established, and there is a movement on foot to institute a direct line between Swedish and American ports, which bids fair to be successfully

accomplished. The number of vessels arriving in the port of Stockholm during the year was 95,000, but of these 30,000 were under 10 tons. The total tonnage of the steamships was 6,500,000. The increase in the total number of ships arriving over that of the previous year was 1,000.

FORMATION OF TRUSTS AND BANKING BUSINESS.

The year 1907 was unusually peaceful in respect to labor troubles, strikes, etc., there being no cases of serious interference with business.

During the year a trust was formed embracing all the sugar-refining companies in Sweden, with a capital of $35,775,000. The tendency is strongly in the direction of the formation of trusts in various branches of manufacture. For example, in alcohol and spirits, paper, and glass, such organizations have already been effected.

The banking business appears to be very lucrative in Sweden and banking institutions are very strong. As an example: One of the banks lost through the panic times $5,300,000, and its standing was in no way affected. There was no bank failure during 1907. The dividends of all the banks average from 8 per cent to 30 per cent on the capital stock. The interest on three months' loans is 6 per cent for good securities. The Government bank acts as clearing house for all of Sweden's banks. A number of French and English capitalists have placed large sums of money in industries and also in the real-estate markets in Sweden.

DEMAND FOR AMERICAN GOODS—FORESTRY PRODUCTS.

There is an increasing demand for American goods, but the greatest impediment to the still greater growth of this demand is the fact that in the majority of cases payment is required previous to shipment. As a result when goods prove unsatisfactory according to the specifications of orders, the Swedish purchasers are at a disadvantage and naturally refuse continuance of patronage. Several complaints have been made in this direction with respect to certain lines of special machinery, motor boats, automobiles, etc. While these cases undoubtedly are exceptional, they tend to injure not only the specific industries they represent, but the general American trade, which, on the whole, is gaining an excellent reputation.

The consumption of everything comprised in the products of the forests—wood, lumber, etc.—is estimated at 3.16 cubic meters per capita of population during the year, or a total of about 21,043,244 cubic meters, valued at $13,250,000. The entire area of forest-covered land includes 103,000 hectares, or about 257,500 acres, and the whole calculated maximum capacity of this regulated production, according to the report of the forestry commission, is estimated to be 54,811,000 cubic meters annually. Therefore, less than one-half of the productive capacity was used, thus proving the substantial benefits of a well-regulated forestry commission.

A good illustration of the practical results of the working of the forestry commission is seen in the fact that in one province alone (Christianstad) there have been planted 5,842,000 trees, nine-tenths of which are pine, the rest varied hard woods. These plantings were made in 1,011 different personal land holdings.

ELECTRIC CAR SYSTEMS—PEAT LANDS.

The electric street-car systems are progressing favorably and are now established in nearly every city of 20,000 inhabitants or over in the whole country. The total length of lines in seven of the largest cities, Stockholm, Gothenburg, Malmo, Norrkoping, Helsingborg, Upsala, and Jonkoping, amounts to about 114 miles. The Stockholm system has 200 motor cars and 225 trailers, employing about 1,500 hands. This system pays an annual dividend of 25 per cent. Seven new lines were laid in the country during the year. Those not yet completed are in the cities of Gefle, Sundsvall, Orebro, and Halmstad.

The total area of peat lands is about 10,000,000 acres, with an average depth of 6 feet 8 inches, estimated to yield 2,000 tons per hectare (2.47 acres). This is said to be equivalent to 4,000,000,000 tons of coal. With the exception of Russia, it is claimed no other country in Europe contains so great an area of peat lands as Sweden. A company was organized in Gothenburg for the purpose of systematizing the production and export of this fuel.

NEW INDUSTRIAL ENTERPRISES.

Swedish industrial enterprise has recently shown itself in a movement for the establishment of permanent industrial exhibitions in Cape Town, South Africa; Valparaiso, Chile; Tokyo and Yokohama, Japan; and Hongkong, China. These exhibitions are to be under the supervision of young business men to whom the Swedish Government, for this purpose, has already made special grants of financial support. These men are to report annually as to the progress of the work, the outlook, and special markets for the respective articles exhibited, etc. This work is entirely outside of the regular consular service. Thus far it has proven highly beneficial, resulting in the establishment already of direct lines of steamships between Sweden and Chile, Japan, and South Africa. It has also resulted in the formation of a strong company here for carrying on the trade with China.

TRADE OF THE COUNTRY.

During 1907 there were exported from Sweden 17,779 tons of butter. Of this quantity the greater part was shipped to England. A remarkable increase of Sweden's dairy business has been effected since the introduction of the creamery system. The export of eggs has increased about 10 per cent since 1905 and during the past year amounted to 3,011,500 dozen. The breeding of better grades of fowls is increasing rapidly. Poultry exhibitions are held annually in almost every province, at which prizes are awarded by the provincial governments to the most successful breeders..

The shipments of fish and fish products increased from 42,042 tons in 1906 to 47,593 tons in 1907. The exports of paper during the same period increased from 1,386,000 tons to 1,492,700 tons. Of this quantity, strong wrapping paper was the largest item. The increase in the export of matches was 12,584 tons, the total being 218,823 tons in 1907 against 206,239 tons in 1906.

The quantities of articles of export from Sweden during 1907 are shown in the following statement:

Articles.	Quantity.	Articles.	Quantity.
Animals:		Glass and glassware.....tons..	14,927
Cattle.....number..	11,170	Hides and skins.....do....	5,957
Horses.....do....	5,780	Instruments, scientific, etc....value..	$904,915
Other.....do....	1,500	Iron and steel, and manufactures of:	
Breadstuffs:		Raw.....tons..	3,513,803
Barley.....tons..	208	Machinery.....value..	$5,540,500
Flour—		All other.....tons..	399,500
Rye.....do....	4,746	Matches.....do....	21,769
Wheat.....do....	63	Ore, zinc.....do....	41,158
Rye.....do....	628	Paper, etc.....do....	145,978
Wheat.....do....	442	Provisions.....do....	21,368
Bricks, etc.:		Stone.....value..	$3,062,725
Faced, etc.....do....	51,875	Superphosphates.....tons..	13,573
Common.....number..	32,469,000	Wood manufactures:	
Tiles and pipes.....tons..	12,618	Doors and frames.....value..	$1,531,965
Cement.....do....	18,052	Beams, etc.....cubic meters..	657,700
Cotton goods.....do....	119	Boards, etc.....do....	4,129,500
Eggs.....dozen..	3,011,500	Pit props.....do....	712,200
Fruit.....tons..	4,295	Woolen goods.....tons..	79

CONDITION OF THE IRON AND STEEL INDUSTRY.

The market for iron and steel in 1907 started under favorable conditions. All the Lancashire steel works in Sweden were working to full capacity and orders from the United States were steady upon specified periods for delivery in advance. In the spring of last year alarming predictions were made among exporters on account of the conditions in American markets, but they proved to be premature and did not have any appreciable effect upon the output. During the second half of the year there was a falling off in orders, and in November the Swedish Iron Association marked down the prices of Lancashire rolled iron $1.30 per ton.

The steel works, however, and also the manufacturers of soft Bessemer, did not suffer any decrease of prices or business, and the production of bar iron continued steady. Pig iron in production and export has reached the highest figures in the history of Sweden.

On account of the very large stocks that accumulated during the years 1906 and 1907 the prices of pig iron for export decreased before any other branch of the iron industry was affected. At the outset of the financial crisis in America the orders therefrom ceased almost entirely, and as a consequence the price of the assorted Lancashire began to fall, and so continued during the closing months of the year. However, even at the lower prices, although the factories were not receiving any new orders, and although the total amount for future deliveries was smaller than for several previous years, owing to the greatly increased demand during the first six months' period of 1907 for delivery in 1908 the factories were enabled to continue production in about the same proportions as usual. The total exports show that in all departments of this industry the decrease for the year was only 1,800 tons.

The following statement shows the exports of iron manufactures from Sweden during 1906 and 1907:

Description.	1906.	1907.	Description.	1906.	1907.
	Tons.	*Tons.*		*Tons.*	*Tons.*
Bar and bar ends	200,600	160,800	Plates and sheets	2,900	2,300
Blooms, etc	27,000	32,700	Scrap	13,600	9,600
Ingots	16,200	11,700	Wire	9,000	26,600
Nails	5,900	7,200			
Pig	112,200	129,800	Total	401,300	399,500
Pipes and tubes	13,900	18,800			

PRINCIPAL IMPORTS INTO SWEDEN.

The leading items of imports into Sweden during 1907 were as follows:

Articles.	Quantity.	Articles.	Quantity.
Animals, live.....number..	8,040	Metals, and manufactures of..tons..	177,809
Bone meal.....tons..	11,524	Oil.....do....	123,575
Brandy and spirits.....gallons..	983,687	Potatoes.....do....	18,398
Breadstuffs:		Provisions:	
Bran, etc.....tons..	86,870	Pork.....do....	7,139
Barley.....do....	752	Meat.....do....	3,348
Corn.....do....	8,002	Tallow.....do....	6,785
Oats.....do....	66,277	Rice.....do....	10,900
Rye.....do....	41,206	Rubber.....do....	1,176
Wheat.....do....	154,627	Salt.....do....	389,259
Bicycles.....number..	7,620	Saltpeter.....do....	26,185
Coal and coke.....million bushels..	12,091	Sewing and knitting machines.value..	$636,460
Coffee.....tons..	30,855	Sugar and molasses.....tons..	16,654
Cotton, dyed and undyed.....do....	20,947	Thread, cotton.....do....	324
Eggs.....dozen..	5,700,066	Tobacco.....do....	3,871
Fertilizers.....tons..	215,117	Wine, sparkling and still....gallons..	186,325
Hides and skins.....do....	10,464	Woven goods, all kinds.....tons..	7,765
Machinery.....value..	$7,043,157	Yarn.....do....	3,365

GOTHENBURG.

By Consul William H. Robertson.

With reference to population, Gothenburg is the second city in the Kingdom; in trade and shipping, it is the first. The population is 160,500 and is, in comparison with other Swedish cities, increasing rapidly.

The plan for the enlargement or reconstruction of the harbor has not yet been approved by the proper authorities, but in the meantime certain smaller improvements were made, among them work for the lengthening of the quays. The plans for the new mass-goods harbor were worked out, and a concession was obtained for the building of a railroad between the harbor and the railroad running through the province of Bohuslan. It is intended that this harbor shall have a quay length of 3,018 feet and 8 discharging cranes. The quays are to be built of stone, partly on piles in gravel, partly on concrete foundation, and partly on rock bottom. The total cost of the harbor is calculated to be $1,149,720; it will take about five years to build it, and it is intended that the depth shall be 26.25 feet.

Plans for a fishermen's harbor have also been worked out and approved. It is considered that this harbor is very much needed to accommodate the constantly increasing number of steam trawlers and other fishing vessels.

The old plan for the establishment of a free harbor is still receiving attention, and has advanced so far that a free-harbor company was organized and its by-laws submitted to the county governor for approval. The capital stock is to be from $268,000 to $804,000.

The dredging in the river and the entrance to the Gothenburg harbor has been continued, partly to keep the depth constant, and partly in order to increase the depth of the entrance channel to 24.5 feet. In certain places the dredging is to be done to a depth of 46 feet, and the mud to be removed in the near future amounts to

91,780,000 cubic feet. Therefore, it is considered necessary to purchase a new dredging machine of the "pater noster," or chain-bucket, type, at a cost of $44,220. Further, it is proposed to buy flat-bottomed barges for transportation of the mud for the sum of $10,720, self-discharging barges for $29,480, and discharging machinery (pumps) for $30,820.

NEW POWER PLANT—ELECTRIC RAILROADS.

The new electric power plant will soon be finished, and when put in working order it will be capable of delivering an energy of 9,550 kilowatts (1 kilowatt = 1.341 horsepower), of which 5,000 kilowatts will be supplied from the new machines, 1,110 from the old machines, and 3,450 from the accumulator batteries, which are able to give this effect during a time of four hours. During the summer of 1907 28.5 miles of subterranean electric cable conduits were laid in the city. The cost for the central power house, one substation, buildings, cables, etc., will be about $1,547,700. When electric power can be obtained from the hydro-electric power plant at Trollhattan, a transforming plant will be built near Gothenburg at a cost of $117,920. For these and other purposes it is intended that the city shall negotiate a loan of $4,020,000.

Two suburban electric railroad lines 5 and 6 kilometers long (kilometer = 0.621 mile), respectively, were opened for traffic during the year 1907. This caused increased erection of smaller houses just outside the city limits, with the possible result that the territory covered will soon be annexed to the city. The increased traffic has made it desirable that the city shall buy electric motor cars.

The building business within the city has not shown any special animation, evidently because of the scarcity of money and of high interest.

EMIGRATION AND IMMIGRATION.

The number of Swedish subjects who have emigrated from the ports of Stockholm, Gothenburg, ports in southern Sweden, and from Christiania and Drontheim in Norway decreased from 35,041 in 1903 to 19,105 in 1907. Of those who emigrated in 1907, 14,482 embarked at Gothenburg. Besides these, 7,102 foreigners embarked here. This considerable reduction may largely be due to economic conditions, but perhaps also to the work of the National Anti-Emigration League, which by proclamations in the newspapers, etc., has urged the people to stay at home. The league also addressed open letters to visiting Swedish-Americans, advising them to see if they could not make a living in the old country, instead of going back to the United States. Several propositions were discussed in the press to restrict emigration and foster immigration, especially the return of Swedish emigrants from the United States. Among projects in the latter respect, the parceling out of land and the selling of it, and granting loans on easy terms, as well as exemption from military duty of returning emigrants, were recommended. At the same time new laws to regulate immigration and for proper control over the foreigners already in the country were proposed.

THE FISHERIES.

The fisheries of this country during the fishing season of 1906–7 seem to have been remunerative. The herring fishery with seines brought a gross income of about $1,259,600. The herring fishery with drift nets did not yield so much as during the year before. The largest catches were obtained by "purse seines" in the open sea; the landing seines did not give so good results. About $1,608 worth of herring was caught with drift nets in the North Sea by a Swedish fishing cutter. I have seen no estimates as to the value of other kinds of fish caught than herring, but it must have been considerable. The herring not salted or consumed here are mostly exported fresh to Germany. The mackerel not consumed here, and particularly the mackerel caught in the North Sea, are sent to the United States, either direct or by the way of Norway. Eleven steam trawlers were used during the year, and certain ordinary fishing boats provided with motors are to be fitted out with trawl nets.

SHIPPING AND NAVIGATION INTERESTS.

Shipping is receiving considerable attention and in many cases pecuniary assistance from the Government. This is given partly in the form of loans on easy terms, and partly as subsidies, but I am not able to state the sums allowed to the different companies. I understand that for 1907 there was $1,340,000 available for the purpose. Gothenburg has also direct and regular steamship communication with several European countries, with South Africa, South America, Asiatic ports, and Australia, but none with the United States. In order to facilitate commerce, industries, and shipping it has been proposed to establish free ports at Gothenburg and Malmo. In the first part of 1907 the Government appropriated $80,400 toward the cost of building a dry dock at Malmo. It was proposed that the dry dock be of the following dimensions: Length, 508.5 feet; width in the bottom, 55.77 feet; and depth over the sill 28.7 feet.

The shipping at Gothenburg during 1907 showed the following: In foreign traffic there entered at the port 3,016 steamers, of 1,550,321 tons, and 804 sailing vessels, of 69,873 tons; and there cleared 3,024 steamers, of 1,607,690 tons, and 466 sailing vessels, of 59,383 tons. In domestic traffic there arrived 4,500 steamers, of 449,140 tons, and 1,479 sailing vessels, of 58,794 tons, while the departures for the year were 4,169 steamers, of 395,683 tons, and 1,651 sailing vessels, of 64,175 tons.

At the end of 1907 the merchant fleet of Gothenburg consisted of 258 steamers, of 176,959 tons, and 51 sailing vessels, of 18,030 tons. The largest of the steamers is the *Osterland*, measuring 3,392 tons, and of the sailing vessels the *Svithiod*, of 1,886 tons. During the year 5 vessels, of 2,255 tons, were lost and 12 vessels, of 3,084 tons, were sold. The number built and purchased was 30, of 25,526 tons.

UTILIZATION OF WATERFALLS FOR ELECTRIC ENERGY.

Many signs indicate that Sweden will in the future, more than heretofore, utilize the numerous waterfalls in the country, of which many are in this consular district. It was some time ago proposed

that certain lines of the Swedish State railroads should use electricity as motive power. For this and other reasons the Government is now building a large hydro-electric power plant at Trollhattan, about 50 miles from Gothenburg, and is at present carrying on negotiations for the purchase of other waterfalls at that point and at a place nearer Gothenburg, at a price of $2,861,520, whereby the power available to the Government from the Gota River alone would be increased from 110,000 to about 200,000 horsepower. It is possible in connection herewith that the plans to enlarge the canals and locks at Trollhattan, so as to admit seagoing vessels to Lake Vanern, will in time be carried out.

A company with a capital stock of $603,000 has bought nearly all of the larger obtainable waterfalls in southern Sweden, representing about 20,000 horsepower. Three other new hydro-electric power companies have been reported in this district, and one is working on four power plants in the Lagan River.

Plans for a new electric plant in the city of Helsingborg have been worked out, and the electric power station in Malmo is to be enlarged. Furthermore, it is proposed to build electric street railways in the cities of Karlstad and Halmstad, and the electric street railways in the city of Jonkoping were opened for traffic in September, 1907. Electric interurban railroads between Malmo, Lund, Trelleborg, and other places in southern Sweden have also been proposed.

Electro-steel seems to be gaining a foothold in the markets of the world, and it is reported that besides the electro-steel works at Gysinge new ones are to be built at Trollhattan.

INCREASE IN WAGES—EFFECTS OF MONEY CRISIS.

Throughout Sweden there was a general commercial and industrial activity in 1907, which, however, toward the end of the year was considerably handicapped by lack of capital. Interest was very high, and the prices of almost all necessaries of life increased very materially, and this again has necessitated the raising of wages and salaries. As an example, the gross income of the State railroads increased $159 per road kilometer in 1907, while the net income per road kilometer decreased $349 as compared with 1906. This poor result is, it is stated, entirely due to the increase in salaries and wages which were made.

The effects of the financial crisis in the United States have been felt since November, and many who were either too optimistic or have speculated above their financial resources have suffered heavy losses. A good many business firms have failed, and among them have also been old and well-known firms. The debts owing to the Swedish banks on January 31, 1908, which have to be collected by special measures amounted in round numbers to $3,484,000, against only $455,600 a year ago. It is reported also that many workmen are without work, especially in the larger cities. Under such conditions it might be expected that prices should come down, but such has not been the case, in the retail trade at least.

TRADE OF THE PORT.

Owing to high prices meat was imported in large quantities into Sweden during 1906 and 1907. This meat, which mostly consisted

of salted beef and mutton, came from South America, Denmark, Norway, and Iceland. Horse meat was also imported and even whale meat was brought from Denmark. Frozen meat arrived from New Zealand. A considerable quantity of pork, as well as meat, came from the United States, although at the Malmo consular agency there were exported to England last year 2,425,084 pounds of pork.

The preliminary statistical figures published by the Swedish Government for the year 1907 give only the quantities of merchandise imported from all foreign countries to all Swedish ports. Only in a few cases are the values given, and the figures available concerning the import and export at Gothenburg were compiled by private enterprise. According to this latter source the import and export for 1907 of certain important articles at Gothenburg, as compared with the trade in 1906, were as follows:

IMPORTS.

Articles.	1906.	1907.	Articles.	1906.	1907.
Breadstuffs:	*Pounds.*	*Pounds.*	Provisions—Continued.	*Pounds.*	*Pounds.*
Flour, wheat	3,319,914	4,493,532	Butter	123,313	356,211
Maize	810,805	1,354,685	Cheese	913,428	145,679
Oats	42,820,509	54,359,421	Lard	3,038,132	2,683,707
Paddy	16,978,674	14,030,185	Meat, salted	354,973	478,228
Wheat	18,053,330	9,502,809	Tallow	7,124,717	8,093,712
Canned goods	439,176	420,267	Rosin	4,831,409	4,576,774
Cattle feed:			Seeds:		
Bran	76,368,167	58,430,700	Clover and grass	760,498	424,238
Oil cakes	45,218,697	40,955,201	Canary and hemp	182,816	140,086
All other	19,541,181	20,260,443	Linseed, etc	19,025,521	24,002,422
Coal [a]	28,256,425	28,334,700	Starch, etc	370,464	393,408
Cotton, raw [b]	10,141	9,588	Sirup	11,879,255	12,004,548
Fertilizers [b]	31,580	40,053	Textile fabrics, etc.:		
Flax	2,935,944	2,805,234	Cotton—		
Glass	839,224	1,329,965	Cloth, etc	1,062,425	1,394,591
Hemp	1,382,711	1,561,783	Thread	230,907	225,218
Hides and skins	3,556,542	2,383,291	Yarn	1,508,625	1,733,080
Iron and steel: [b]			Jute cloth	1,035,222	1,607,992
Bar, etc	8,170	10,739	Linen—		
Machinery, etc. [c]	$1,422,254	$1,993,502	Cloth	238,893	296,707
Pig	21,816	24,253	Thread	25,580	27,977
Plates	3,599	4,000	Woolen—		
Rails	3,823	6,330	Cloth	784,539	850,135
Sheets, tinned	2,903	3,470	Yarn	976,230	1,015,630
Tubes and pipes	5,969	6,899	Tobacco and cigars:		
Metals [b]	3,982	3,533	Tobacco—		
Oil:			Raw	719,798	1,081,275
Mineral, n. e. s.	10,391,994	11,256,484	Stems	241,131	343,216
Petroleum, etc.	54,165,502	57,109,911	Cigars, etc	74,174	88,934
Other	13,437,868	13,355,971	Turpentine	320,023	327,164
Paraffin	1,818,919	1,874,462	Wool	4,254,288	4,682,499
Provisions:					
Bacon, etc	2,272,013	2,308,440			

EXPORTS.

Butter	13,399,505	13,978,769	Matches [b]	16,024	18,012
Calcium carbide	8,775,940	13,952,126	Metals [b]	112,629	119,247
Cranberries	3,381,035	1,112,617	Pasteboard, etc	23,299,129	31,422,518
Fish:			Paper	169,727,989	188,435,243
Herring—			Rice	6,788,531	939,890
Fresh	15,849,056	23,300,574	Textile fabrics	1,131,710	911,328
Salted, etc	4,836,177	5,965,520	Wood pulp [b]	100,874	135,573
All other	2,305,278	1,761,828	Wood, and manufactures:		
Glassware	25,329,354	32,323,453	Deals, etc. [d]	7,234,744	6,835,418
Grain	4,034,062	9,048,203	Joinery [c]	$1,556,594	$1,174,605
Hides and skins	5,284,822	4,331,616	Pit props [d]	7,475,208	5,800,883
Machinery, etc. [c]	$722,669	$578,497	Ties [d]	1,593,332	1,757,662

[a] Bushels. [b] Tons. [c] Value. [d] Cubic feet.

SALES TO THE UNITED STATES.

The declared value of the exports from Gothenburg to the United States during 1907 was $2,230,399, an increase of $564,832 and $810,311, respectively, over 1906 and 1905. The principal items during the past three years were as follows:

Articles.	1905.	1906.	1907.
Books, Swedish	$1,884	$1,779	$6,672
Cardboard and pasteboard	2,663	5,145	8,734
Ferro-silicon	.....	22,735	3,874
Fish, all kinds	36,571	181,421	111,833
Glassware	22,155	18,667	20,744
Hardware	11,352	12,925	22,278
Hides and skins	359,394	328,970	265,504
Iron and steel	451,462	453,519	461,858
Liquors	30,240	38,773	45,509
Matches	122,531	129,486	125,023
Paper	81,766	189,403	402,318
Rubber, waste	8,747	5,637	7,269
Wood pulp	287,677	269,932	734,655
Other articles	3,646	7,175	15,128
Total	1,420,088	1,665,567	2,230,399
Returned American goods	150	1,186	945
Grand total	1,420,238	1,666,753	2,231,344

During 1907 the value of the exports declared at the Malmo agency to the United States was $169,173, against $274,694 in 1906 and $194,789 in 1905. The leading items in 1907 were enameled utensils worth $78,322; wood pulp, $39,238; matches, $13,995; machinery, $13,079; cement, $6,620; punch and whisky, $6,281; leather goods, $7,567, and oil, $1,733.

REVIEW OF TRADE CONDITIONS OF DENMARK.

By CONSUL-GENERAL FRANK R. MOWRER, COPENHAGEN.

In Denmark there are no mines, forests, or waterways, and in the absence of extensive capital and important markets large industries have not been created. It is distinctly an agricultural country, with more than 80 per cent of its area under cultivation. The industry of the people and economic and cooperative systems make the most possible out of agriculture and the marketing of its products.

The average for 1907 was for Denmark one of comparatively hard times; money was dear, prices for necessities, wages, grains, and raw materials were high, and left little profit to the employer. Notwithstanding excessive rains throughout Europe, during the harvest season, crops in Denmark were abundant, particularly as to fodder and grain food for cattle. This considerably reduced the importation of maize, oats, and barley, as compared with 1906. The agriculturist received good prices for the two leading staples, bacon and butter.

IMPORTS INTO THE COUNTRY.

The total quantity and value of the imports into Den 1906 and 1907 is shown in the following table:

Articles.		1906		Qu
		Quantity.	Value.	
Bricks and tiles	pieces	58,190,000	$498,400	4
Cement	barrels	137,618,000	219,760	7
Coal	tons	2,479,000	9,066,440	
Coffee, etc	pounds	27,384,000	1,222,080	
Coke and cinders	tons	159,000	855,740	
Cotton	pounds	11,519,000	1,452,560	
Fertilizers	do	244,264,000	2,181,520	
Fish	do	24,632,000	846,880	
Flour, wheat	do	64,383,000	1,270,320	
Fruit, dried, etc	do	26,898,000	(a)	
Glassware	do	16,035,000	(a)	
Hardware and machinery	do	72,131,000	5,022,320	
Iron and steel	do	311,335,000	4,727,520	
Lumber	tons	282,030,000	6,675,880	
Maize	pounds	1,046,798,000	11,194,3	
Oil cake and meal		(a)	12,094,8	
Paper	pounds	26,386,000	1,334,4	
Petroleum		(a)	1,112,2	
Rice	pounds	19,361,000	482,	
Sugar, etc	do	49,247,000	1,222,	
Wood pulp	do	64,206,000	576,	
All other articles	do		71,152,	
Total			133,2	

a Not stated.

The value of the exports was $93,581,600 in 1907. Of these amounts, the exports of $43,357,040 in 1906 and $45,310,760 in 19 $22,345,840 and $25,840,560, respectively, f

CEMENT—ICELANDIC V

The Portland cement industry and ceme normal conditions. While the consumpt in 1906, the production of the five Danish 1,527,000 barrels. It is proposed to build

In 1907, $102,279 of Icelandic wool v States. This amount is only one-third 1906. This decrease is partially due t United States from the previous year a the trade in 1907. Although prices we than at the opening of the season, ther

FRUIT—DEMAND FOR BU

In addition to the large yield of f their importation increases, especi pineapples, and apples, which, form necessaries. A late season permi American apples at high prices.

The absence of forests and min portation of their products to public improvements, and extensi during the year, which, together considerably increased the dema

STEAMSHIP SERVICE.

Important additions were made to the Danish shipping facilities in 1907. About the first of the year the United Steamship Company established a regular line between Copenhagen and Baltimore and at the same time doubled the sailings between Copenhagen and Philadelphia. A direct service was inaugurated with Argentina, and altogether six steamers were added to the line.

In addition to tramp steamers there is a regular steamship service between Copenhagen and Reykjavik, Iceland. The number of sailings vary from three to seven a month. There are also infrequent sailings from Liverpool and Leith to Iceland. Extensive harbor improvements in the port of Reykjavik are about to be commenced.

SALES TO THE UNITED STATES.

The value of the exports from Denmark (Copenhagen) to the United States during 1907 was $1,143,682, against $1,272,076 in 1906 and $1,238,407 in 1905. The articles are shown in the subjoined table:

Articles.	1905.	1906.	1907.
Beer	$1,487	$1,803	$6,862
Books	4,597	8,575	13,596
Butter	38,373	67,060	96,839
Films	.....	.....	28,441
Flint pebbles	58,324	98,236	118,381
Hair	724	3,566	23,341
Hides, cow and horse	135,064	32,839	.....
Hosiery	18,427	40,261	29,216
Household effects	10,707	4,638	14,507
Leather garments, etc	7,502	2,841	5,058
Marble	24,797	434	7,481
Oil, fusel	236	9,951	6,956
Porcelain and pottery	16,226	12,773	12,092
Rags	9,077	2,637	10,663
Rennet	88,175	95,630	91,972
Rope, old	13,993	19,292	12,383
Rubber, old	6,723	13,481	41,476
Sausage skins	12,359	34,508	33,425
Seeds	30,575	42,054	22,578
Skins	425,289	426,462	404,430
Wool (Icelandic)	265,407	306,921	102,279
All other articles	70,345	48,114	61,706
Total	1,238,407	1,272,076	1,143,682

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